

Journal of the House

State of Indiana

115th General Assembly

Second Regular Session

Tenth Meeting Day Monday Morning January 28, 2008

The House convened at 9:00 a.m. with Speaker B. Patrick Bauer in the Chair

The Speaker read a prayer for health and well-being (printed November 20, 2007).

The Pledge of Allegiance to the Flag was led by Representative Clyde Kersey.

The Speaker ordered the roll of the House to be called:

Austin	Hinkle
Avery	Hoy
Bardon 🖹	Kersey
Bartlett	Klinker
Battles	Knollman
Behning •	Koch
Bell	L. Lawson
Bischoff	Lehe
Blanton	Leonard
Borders	Lutz
Borror	Mays
Bosma	McClain
C. Brown	Micon
T. Brown	Moses
Buck	Murphy
Buell	Neese
Burton	Niezgodski
Candelaria Reardon	Noe

Orentlicher Cheatham Oxlev Cherry Cochran Pelath Crawford Pflum Crooks 🖹 Pierce Crouch 🖻 Pond Davis Porter Reske Day

Dembowski Richardson 🖹 Dermody Ripley Dobis Robertson Dodge Ruppel 🖹 Duncan Saunders Dvorak Simms Eberhart M. Smith Elrod V. Smith Espich 🖻 Soliday Foley Stemler Friend Steuerwald Stevenson 🖹 Frizzell Fry Stilwell GiaQuinta Stutzman Summers 🖻 Goodin Thomas 🖹 Grubb Gutwein Thompson Tincher E. Harris T. Harris Torr Herrell Turner

Tyler Walorski
Ulmer Welch
VanDenburgh Wolkins
VanHaaften Mr. Speaker

Roll Call 41: 90 present; 10 excused. The Speaker announced a quorum in attendance. [NOTE: | indicates those who were excused.]

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Tuesday, January 29, 2008, at 9:00 a.m.

HOY

The motion was adopted by a constitutional majority.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Engrossed Senate Bills 10, 14, 15, 33, 46, 51, 78, 83, 84, and 89 and the same are herewith transmitted to the House for further action.

MARY C. MENDEL Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Engrossed Senate Joint Resolutions 3 and 5 and the same are herewith transmitted to the House for further action.

MARY C. MENDEL Principal Secretary of the Senate

RESOLUTIONS ON FIRST READING

House Concurrent Resolution 7

Representative Cherry introduced House Concurrent Resolution 7:

A CONCURRENT RESOLUTION to honor the Eastern Hancock Future Farmers of America (FFA).

Whereas, Members of the Eastern Hancock Future Farmers of America (FFA) took top honors during the recent National FFA Livestock Judging Career Development Event that was held during the 80th National Convention in Indianapolis;

Whereas, The event was a competition that tested each student's ability to select and evaluate livestock, including seven evaluation classes of beef, sheep and swine, as well as oral placement reasons on four classes, a written examination on livestock production, and quality grading of slaughter cattle;

Whereas, The event also included a team competition, based on production performance records, which demonstrated the team's breeding livestock selection ability;

Whereas, The decorated Eastern Hancock FFA team included Seth Lawyer, Kyle Jacobs, Aaron Jones, and Kyle Wilson;

Whereas, Seth Lawyer placed fourth and Kyle Jacobs placed eighth in individual competitions;

Whereas, The Eastern Hancock FFA team, as a result of their terrific performance at this event, has now earned the opportunity to represent the United States of America at the Royal Highland Stock Show in Edinburgh, Scotland this fall;

Whereas, The students of the Eastern Hancock FFA have engendered pride in their organization, school, community and state: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly congratulates the Eastern Hancock Future Farmers of America (FFA), is proud of their accomplishments, and wishes them the very best of luck in their coming international competition.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the Eastern Hancock FFA and to Seth Lawyer, Kyle Jacobs, Aaron Jones and Kyle Wilson.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Gard.

House Concurrent Resolution 8

Representative Cherry introduced House Concurrent Resolution 8:

A CONCURRENT RESOLUTION to honor the Eastern Hancock 4-H organization.

Whereas, 4-H is an outstanding organization in which young people across the nation learn leadership, citizenship and life skills;

Whereas, A group of Eastern Hancock students representing Indiana 4-H won first place honors at the Southeastern U.S. 4-H and Future Farmers of America Livestock Judging Contest recently held in Raleigh, North Carolina;

Whereas, These talented 4-H team members included Tyler White, Breanna Lawyer, Justin Roland, and Caitlin Parke;

Whereas, Tyler White won first place and Breanna Lawyer won second place during individual competitions at this same event:

Whereas, These fine young men and women have represented their organization, school, community and state with honor: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly congratulates the Eastern Hancock 4-H team on its recent achievements and wishes it well in its future educational pursuits.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the Eastern Hancock 4-H organization and to Tyler White, Breanna Lawyer, Justin Roland and Caitlin Parke.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Gard.

House Concurrent Resolution 9

Representatives Duncan, Summers, Austin, Blanton, Candelaria Reardon, Crouch, Dembowski, Klinker, L. Lawson, Mays, Noe, Pond, Richardson, VanDenburgh, Walorski, and Welch introduced House Concurrent Resolution 9:

A CONCURRENT RESOLUTION honoring Dana L. Blank for her outstanding service to the State of Indiana and its citizens.

Whereas, Dana Blank has dedicated her life to public service and the pursuit of empowering women to make positive improvements in their lives;

Whereas, Dana Blank joined the Indiana Department of Correction in 1968 and served as the Recreational Director for the Indiana Girls' School from 1968 to 1974;

Whereas, Dana Blank then became Assistant Superintendent of the Indiana Women's Prison and served in that role from 1974 to 1991;

Whereas, In 1991, Dana Blank became Superintendent of the Indiana Women's Prison, and in 2006, became the first statewide Director of Female Adult and Juvenile Programs;

Whereas, Dana Blank retired after thirty-nine years with the Indiana Department of Correction;

Whereas, Dana Blank is a recipient of an honorary Doctor of Humanities degree from the University of Indianapolis and has been recognized with the 2002 Indiana Correctional Association's Distinguished Service Award, the 2003 National Commission on Correctional Health Care's Program of the Year Award, the 2003 Speaking of Women's Health's Woman of the Year Award, the 2006 Indiana Correctional Association's Distinguished Service Award; and the Public Action in Correctional Effort/Offender Aid and Restoration's Person of the Year Award;

Whereas, Dana Blank led her organization with the belief that each individual has value and that the incarcerated woman is not her crime but rather, that her crime is a result of a bad choice:

Whereas, Dana Blank recognized the high rate of abuse among incarcerated women and worked hard to create an environment of safety and health in which women are able to improve the quality of their lives;

Whereas, Dana Blank embodied a progressive and holistic approach to the care of the women in her charge and created programs to reflect this philosophy such as those which focused on education, the preservation of the connection of women with their families, and the successful re-entry of women into life outside of prison;

Whereas, Dana Blank is an outstanding example of a public servant: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly congratulates Dana L. Blank on a distinguished career, recognizes her enduring legacy in improving the services of the Indiana Women's Prison, and thanks her for thirty-nine years of dedicated service to the State of Indiana.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Dana L. Blank.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators Nugent, Sipes, Becker, Breaux, Errington, Gard, Landske, C. Lawson, Lubbers, Miller, Rogers, Simpson, and Tallian.

Representative Fry was excused.

ENGROSSED HOUSE BILLS ON THIRD READING

Engrossed House Bill 1016

Representative VanDenburgh called down Engrossed House Bill 1016 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning property.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 42: yeas 83, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Tallian and Landske.

Representative Stevenson, who had been excused, was present.

The Speaker yielded the gavel to the Deputy Speaker Pro Tempore, Representative E. Harris.

Engrossed House Bill 1019

Representative Avery called down Engrossed House Bill 1019 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Representatives Battles, Cheatham, Duncan, Kersey, Klinker, Pond, Robertson, and Wolkins were excused from voting, pursuant to House Rule 46. Roll Call 43: yeas 78, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Meeks, Hume, Gard, and Kruse.

Engrossed House Bill 1067

Representative Herrell called down Engrossed House Bill 1067 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning public safety.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 44: yeas 88, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Weatherwax and Broden.

Representative Richardson, who had been excused, was present.

Engrossed House Bill 1074

Representative Soliday called down Engrossed House Bill 1074 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 45: yeas 89, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Charbonneau and Arnold.

Engrossed House Bill 1077

Representative Niezgodski called down Engrossed House Bill 1077 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning public safety.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 46: yeas 89, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Broden.

Engrossed House Bill 1096

Representative Hoy called down Engrossed House Bill 1096 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning courts and court officers.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 47: yeas 86, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Bray.

Representatives Bardon and Behning, who had been excused, were present.

Engrossed House Bill 1108

Representative Buell called down Engrossed House Bill 1108 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 48: yeas 55, nays 35. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Merritt.

Representative Crooks, who had been excused, was present.

Engrossed House Bill 1120

Representative Dembowski called down Engrossed House Bill 1120 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning environmental law.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Representative T. Harris was excused from voting, pursuant to House Rule 46. Roll Call 49: yeas 85, nays 7. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Meeks.

Engrossed House Bill 1122

Representative Reske called down Engrossed House Bill 1122 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 50: yeas 91, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was

directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Bray.

Representative Crouch, who had been excused, was present.

Engrossed House Bill 1145

Representative Pelath called down Engrossed House Bill 1145 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning property.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 51: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Boots and Arnold.

Engrossed House Bill 1146

Representative GiaQuinta called down Engrossed House Bill 1146 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 52: yeas 91, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Landske and Broden.

Engrossed House Bill 1179

Representative Moses called down Engrossed House Bill 1179 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 53: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Bray and Lanane.

The Deputy Speaker Pro Tempore yielded the gavel to the Speaker.

Engrossed House Bill 1185

Representative L. Lawson called down Engrossed House Bill 1185 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

The bill was reread a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 54: yeas 52, nays 42. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Jackman.

Engrossed House Bill 1197

Representative Pierce called down Engrossed House Bill 1197 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 55: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Hershman and Broden.

Engrossed House Bill 1227

Representative E. Harris called down Engrossed House Bill 1227 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 56: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Gard, Rogers, S. Smith, and Charbonneau.

Engrossed House Bill 1045

Representative Bischoff called down Engrossed House Bill 1045 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 57: yeas 92, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Merritt, R. Young, Lewis, and Jackman.

Representative Summers, who had been excused, was present.

Engrossed House Bill 1049

Representative Porter called down Engrossed House Bill 1049 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning higher education.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 58: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Lubbers, Sipes, Alting, and Skinner.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 3:55 p.m. with the Speaker in the Chair.

The Speaker ordered a quorum call to determine the presence of a quorum. Roll Call 59: 89 present.

HOUSE BILLS ON SECOND READING

House Bill 1013

Representative Kersey called down House Bill 1013 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1017

Representative Koch called down House Bill 1017 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1047

Representative Dembowski called down House Bill 1047 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1047–1)

Mr. Speaker: I move that House Bill 1047 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana code concerning employment and general provisions.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 22-6-5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]:

Chapter 5. Right to Work

Sec. 1. This chapter does not apply to the following:

- (1) An individual employed by the United States or a wholly owned corporation of the United States.
- (2) An individual subject to the federal Railway Labor Act (45 U.S.C. 151 et seq.).
- Sec. 2. This chapter does not apply to the extent that it conflicts with:
 - (1) the federal National Labor Relations Act (29 U.S.C. 151 et seq.); or
 - (2) another federal law or regulation concerning labor relations or labor organizations.
 - Sec. 3. As used in this chapter, "employer" includes:
 - (1) a person employing at least two (2) individuals in Indiana;
 - (2) a public body; or
 - (3) an agent of an employer described in subdivision (1) or (2).
- Sec. 4. As used in this chapter, "labor organization" means an organization, an agency, or a representation committee that exists, in whole or in part, to assist employees in:
 - (1) bargaining collectively; or
 - (2) negotiating with employers;

concerning grievances, labor disputes, wages, rates of pay, or terms or conditions of employment. The term includes a school employee organization (as defined in IC 20-29-2-14).

Sec. 5. As used in this chapter, "person" means:

- (1) an individual;
- (2) a proprietorship;
- (3) a partnership;
- (4) a firm;
- (5) an association;
- (6) a corporation; or
- (7) another legal entity.
- Sec. 6. As used in this chapter, "public body" includes the following:
 - (1) The state.
 - (2) A municipal corporation (as defined in IC 36-1-2-10).
 - (3) A public transportation agency (as defined in IC 36-9-1-5.5).

- (4) A public utility employer (as defined in IC 22-6-2-2(a)).
- (5) A school employer (as defined in IC 20-29-2-15).

Sec. 7. As used in this chapter, "state" includes a board, a branch, a commission, a department, a division, a bureau, a committee, an agency, an institution, an authority, or another instrumentality of the state.

Sec. 8. An employer may not require an individual to:

- (1) become or remain a member of a labor organization;
- (2) pay dues, fees, assessments, or other charges of any kind or amount to a labor organization; or
- (3) pay an amount to a charity or third party that is equivalent to or a pro rata part of dues, fees, assessments, or other charges regularly required of members of a labor organization;

as a condition of employment or continuation of employment.

Sec. 9. A written or an oral contract or agreement, express or implied, between:

- (1) a labor organization; and
- (2) an employer;

that does not comply with section 8 of this chapter is void.

Sec. 10. An employer that knowingly or intentionally violates section 8 of this chapter commits a Class A misdemeanor.

Sec. 11. An individual who is employed by an employer may file a complaint with the attorney general or the prosecuting attorney of the county in which the individual is employed. The complaint must allege a violation or threatened violation of this chapter. Upon receiving a complaint under this section, the attorney general or prosecuting attorney shall:

- (1) investigate the complaint; and
- (2) enforce compliance if a violation of this chapter is found.

Sec. 12. (a) If an individual suffers an injury:

- (1) as the result of any act or practice that violates this chapter; or
- (2) from a threatened violation of this chapter; the individual may bring a civil action.
- (b) A court may order an award of any or all of the following to an individual who prevails in an action under subsection (a):
 - (1) Actual and consequential damages resulting from the violation or threatened violation.
 - (2) A civil penalty against the violator of not more than one thousand dollars (\$1,000).
 - (3) Reasonable attorney's fees, litigation expenses, and costs.
 - (4) Declaratory or equitable relief, including injunctive relief.
 - (5) Other relief the court considers proper.
 - (c) The remedies and penalties in subsection (b) are:
 - (1) cumulative; and
 - (2) in addition to other remedies and penalties imposed for a violation of this chapter.

SECTION 2. [EFFECTIVE JULY 1, 2008] (a) IC 22-6-5, as added by this act:

- (1) applies to a written or oral contract or agreement entered into, modified, renewed, or extended after June 30, 2008; and
- (2) does not apply to or abrogate a written or oral contract or agreement in effect on June 30, 2008.
- (b) This SECTION expires July 1, 2011.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1047 as printed January 25, 2008.)

LÉONARD

Upon request of Representatives Dobis and Dembowski, the Speaker ordered the roll of the House to be called. Roll Call 60: yeas 36, nays 57. Motion failed. The bill was ordered engrossed.

House Bill 1051

Representative Crooks called down House Bill 1051 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1052

Representative Neese called down House Bill 1052 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1055

Representative C. Brown called down House Bill 1055 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1055-3)

Mr. Speaker: I move that House Bill 1055 be amended to read as follows:

Page 4, between lines 18 and 19, begin a new paragraph and insert:

- "Sec. 11. Except in a situation in which a patient is unconscious, incoherent, or incompetent, in which an emergency exists, or in which a provider does not know or could not reasonably know that the patient is a covered individual with which the provider has not entered into an agreement for the delivery of health care services, a provider or the provider's agent shall disclose to a covered individual the following applicable information:
 - (1) The provider has not entered into an agreement with the insurer to provide health care services to the covered individual.
 - (2) The covered individual may be billed for health care services not paid by the insurer.".

Page 6, after line 15, begin a new paragraph and insert:

- "Sec. 8. Except in a situation in which a patient is unconscious, incoherent, or incompetent, in which an emergency exists, or in which a provider does not know or could not reasonably know that the patient is an enrollee with which the provider has not entered into an agreement for the delivery of health care services, a provider or the provider's agent shall disclose to an enrollee the following applicable information:
 - (1) The provider is a nonparticipating provider.
 - (2) The enrollee may, subject to IC 27-13-36-5 and IC 27-13-36-9, be billed for health care services not paid by the health maintenance organization.".

(Reference is to HB 1055 as printed January 25, 2008.)

WELCH

Motion prevailed.

HOUSE MOTION (Amendment 1055-4)

Mr. Speaker: I move that House Bill 1055 be amended to read as follows:

Page 2, line 1, delete "refers to a policy of" and insert "means a plan through which coverage is provided for health care services through insurance, prepayment, reimbursement, or otherwise. The term includes the following:

- (1) An employee welfare benefit plan (as defined in 29 U.S.C. 1002 et seq.).
- (2) A policy of accident and sickness insurance (as defined in IC 27-8-5-1).
- (b) The term does not include the following:
 - (1) Accident-only, credit, Medicare supplement, long term care, or disability income insurance.
 - (2) Coverage issued as a supplement to liability insurance.
 - (3) Worker's compensation or similar insurance.
 - (4) Automobile medical payment insurance.
 - (5) A specified disease policy issued as an individual

policy.

- (6) A short term insurance plan that:
 - (A) may not be renewed; and
 - (B) has a duration of not more than six (6) months.
- (7) A policy that provides a stipulated daily, weekly, or monthly payment to an insured during hospital confinement, without regard to the actual expense of the confinement.
- (8) An individual contract (as defined in IC 27-13-1-21) or a group contract (as defined in IC 27-13-1-16).".

Page 2, delete lines 2 through 26.

(Reference is to HB 1055 as printed January 25, 2008.)

WELCH

Motion prevailed.

HOUSE MOTION (Amendment 1055–1)

Mr. Speaker: I move that House Bill 1055 be amended to read as follows:

Page 4, line 10, after "9." insert "(a)".

Page 4, line 11, delete "does not agree" and insert "agrees: (1)".

Page 4, line 13, delete "." and insert "; and

- (2) not to bill the covered individual for any amount in excess of the rate paid under the insurer's fee schedule or specific payment rate.
- (b) Subsection (a) does not change a covered individual's obligation under the policy to pay any copayment, coinsurance, deductible, or other cost sharing amount.".

Page 6, line 10, after "6." insert "(a)".

Page 6, line 11, delete "does not agree" and insert "agrees: (1)".

Page 6, line 14, delete "." and insert "; and

- (2) not to bill the enrollee for any amount in excess of the rate paid under the health maintenance organization's fee schedule or specific payment rate.
- (b) Subsection (a) does not change an enrollee's obligation under the individual contract or group contract to pay any copayment, coinsurance, deductible, or other cost sharing amount.".

(Reference is to HB 1055 as printed January 25, 2008.)
RIPLEY

Motion failed. The bill was ordered engrossed.

House Bill 1061

Representative Day called down House Bill 1061 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1061-1)

Mr. Speaker: I move that House Bill 1061 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 8-1.5-5-29, AS ADDED BY P.L.131-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) Subsections (c) (d), and (e) do not apply to a city that before January 1, 2005, adopted an ordinance establishing procedures for the collection of unpaid user fees under this chapter through the enforcement of a lien.

- (b) Fees assessed against real property under this chapter constitute a lien against the property assessed. The lien is superior to all other liens except tax liens. Except as provided in subsections (c) and (d), the lien attaches when notice of the lien is filed in the county recorder's office under section 30 of this chapter.
- (c) A fee is not enforceable as a lien against a subsequent owner of property unless the lien for the fee was recorded with the county recorder before the conveyance to the subsequent

owner. If property is conveyed before a lien is filed, the department shall notify the person who owned the property at the time the fee became payable. The notice must inform the person that payment, including penalty fees for delinquencies, is due not more than fifteen (15) days after the date of the notice. If payment is not received within one hundred eighty (180) days after the date of the notice, the amount due may be expensed as a bad debt loss.".

- (d) A lien attaches does not attach against real property occupied by someone other than the owner. only if the department notifies the owner within twenty (20) days after the time the user fees became sixty (60) days delinquent. However, the department must give notice to the owner only if the owner has given the department written notice of the address to which to send notice.
 - (e) The department shall release:
 - (1) liens filed with the county recorder after the recorded date of conveyance of the property; and
 - (2) delinquent fees incurred by the seller;

upon receipt of a verified demand in writing from the purchaser. The demand must state that the delinquent fees were not incurred by the purchaser as a user, lessee, or previous owner and that the purchaser has not been paid by the seller for the delinquent fees.".

Page 2, after line 36, begin a new paragraph and insert:

"SECTION 6. IC 36-9-23-32, AS AMENDED BY P.L.131-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) **Except as otherwise provided in this chapter,** fees assessed against real property under this chapter or under any statute repealed by IC 19-2-5-30 constitute a lien against the property assessed. The lien is superior to all other liens except tax liens. Except as provided in subsections subsection (b) and (c), the lien attaches when notice of the lien is filed in the county recorder's office under section 33 of this chapter.

- (b) A fee is not enforceable as a lien against a subsequent owner of property unless the lien for the fee was recorded with the county recorder before the conveyance to the subsequent owner. If the property is conveyed before the lien can be filed, the municipality shall notify the person who owned the property at the time the fee became payable. The notice must inform the person that payment, including penalty fees for delinquencies, is due not more than fifteen (15) days after the date of the notice. If payment is not received within one hundred eighty (180) days after the date of the notice, the amount due may be expensed as a bad debt loss.
- (c) A lien attaches does not attach against real property occupied by someone other than the owner. only if the utility notified the owner within twenty (20) days after the time the utility fees became sixty (60) days delinquent. However, the utility is required to give notice to the owner only if the owner has given the general office of the utility written notice of the address to which the owner's notice is to be sent.
 - (d) The municipality shall release:
 - (1) liens filed with the county recorder after the recorded date of conveyance of the property; and
 - (2) delinquent fees incurred by the seller;

upon receipt of a verified demand in writing from the purchaser. The demand must state that the delinquent fees were not incurred by the purchaser as a user, lessee, or previous owner, and that the purchaser has not been paid by the seller for the delinquent fees.

SECTION 7. [EFFECTIVE UPON PASSAGE] IC 8-1.5-5-29 and IC 36-9-23-32, both as amended by this act, apply only to fees and penalties incurred by an occupant of real property after the effective date of this SECTION. A reference in any law to the collection or enforcement of rates, fees, charges, or penalties in the manner provided by IC 36-9-23 or IC 36-9-23-32 shall be treated as not imposing a lien for the collection or enforcement of rates, fees, charges,

or penalties in cases described in IC 36-9-23-32(c).

SECTION 8. An emergency is declared for this act.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1061 as printed January 23, 2008.)

Motion prevailed. The bill was ordered engrossed.

House Bill 1065

Representative Saunders called down House Bill 1065 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1065–1)

Mr. Speaker: I move that House Bill 1065 be amended to read as follows:

Page 4, after line 30, begin a new paragraph and insert:

"SECTION 3. IC 5-10.2-4-8.4, AS ADDED BY P.L.119-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 8.4. (a) This section does not apply to a member of the Indiana state teachers' retirement fund who is eligible to retire under IC 5-10.2-2-8(b).

- (b) A member of the Indiana state teachers' retirement fund who:
 - (1) serves in an elected position; and
 - (2) after June 30, 2006, makes an election under section 8.2(b) of this chapter to begin receiving, while the member holds the elected position or not later than thirty (30) days after the day on which the member's elected term of office ends, the retirement benefits to which the member is entitled by age and service;

may choose at the member's retirement date whether to retire from the Indiana state teachers' retirement fund or from the public employees' retirement fund.

- (c) If the member described in subsection (b) chooses to retire from the public employees' retirement fund, that fund is responsible for the payment of benefits provided under this chapter, and the Indiana state teachers' retirement fund shall pay to the public employees' retirement fund:
 - (1) the amount credited to that member in the annuity savings account in the Indiana state teachers' retirement fund; and
 - (2) the proportionate actuarial cost of the member's pension.

SECTION 4. An emergency is declared for this act.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1065 as printed January 25, 2008.)

RICHARDSON

Motion prevailed.

HOUSE MOTION (Amendment 1065–2)

Mr. Speaker: I move that House Bill 1065 be amended to read as follows:

Page 4, after line 30, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "fund" refers to the public employees' retirement fund established under IC 5-10.3-2-1.

- (b) Notwithstanding any other provision in IC 5-10.2 or IC 5-10.3, if:
 - (1) a member of the fund was receiving a benefit from the fund;
 - (2) the member was a party with the member's designated beneficiary in an action for dissolution of marriage in which a final order:
 - (A) was issued after the member's first benefit was paid; and
 - (B) specified that the member's designated beneficiary would not take a benefit from the fund as a designated beneficiary or surviving spouse;

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(3) following the issuance of the final order described in subdivision (2), the member died; and

(4) the member's spouse at the time of the member's death was not the designated beneficiary;

the surviving spouse of the member of the fund is entitled to file an application with the fund before September 1, 2008, to be designated the member's designated beneficiary and to receive benefits from the fund as a designated beneficiary to the extent the surviving spouse otherwise qualifies for the benefits.

(c) In order to be designated a designated beneficiary under subsection (b), the surviving spouse must submit a certified copy of the final order described in subsection (b)(2) of this SECTION.

(d) This SECTION expires September 1, 2008. SECTION 4. An emergency is declared for this act.". (Reference is to HB 1065 as printed January 25, 2008.)

Motion prevailed. The bill was ordered engrossed.

House Bill 1071

Representative Grubb called down House Bill 1071 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1071-1)

Mr. Speaker: I move that House Bill 1071 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning elections and to make an appropriation.

Page 2, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 2. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "HAVA money" refers to money received by the state under the Help America Vote Act of 2002 (42 U.S.C. 15301 through 15545).

- (b) The definitions in IC 3-5-2 apply throughout this SECTION.
- (c) HAVA money received after December 31, 2007, shall be allocated to reimburse the following counties for purchase of new voting systems:
 - (1) Boone County.
 - (2) Cass County.
 - (3) Parke County.
 - (4) Randolph County.
 - (5) Any other county that has purchased or will purchase a new voting system to replace a voting system that the county cannot use because the county is unable to obtain technical or other operating support for its current voting system.
- (d) The secretary of state, as the state's chief election official under IC 3-6-3.7-1, shall petition the federal Election Assistance Commission for authority to use HAVA money to reimburse counties as provided in subsection (c). In addition to other arguments that the secretary of state may make in the petition, the secretary of state shall inform the Election Assistance Commission that the general assembly considers the circumstances of the counties described in subsection (c) as different from other jurisdictions that have requested to use HAVA money to purchase new voting systems to replace voting systems purchased from HAVA money. Other states have sought to replace functioning voting systems that the state has chosen to abandon for public policy reasons. The state of Indiana is petitioning to use HAVA money to replace voting systems that cannot be used because of the lack of technical and other operating support for the voting systems due to the dissolution of the companies that sold the voting systems.
 - (e) This SECTION expires July 1, 2013.

SECTION 3. [EFFECTIVE JULY 1, 2008] (a) There is appropriated to the election administration fund one hundred twenty-five thousand dollars (\$125,000) from the state general fund to match any money granted to the state by the federal government after December 31, 2007, under the Help America Vote Act of 2002 (42 U.S.C. 15301 through 15545), beginning July 1, 2008, and ending June 30, 2011.

(b) This SECTION expires July 1, 2011.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1071 as printed January 18, 2008.)

GRUBB

Motion prevailed. The bill was ordered engrossed.

House Bill 1083

Representative Kersey called down House Bill 1083 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1090

Representative Dvorak called down House Bill 1090 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1107

Representative Porter called down House Bill 1107 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1111

Representative Foley called down House Bill 1111 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1112

Representative Micon called down House Bill 1112 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1114

Representative Dembowski called down House Bill 1114 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1117

Representative Stilwell called down House Bill 1117 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1117–1)

Mr. Speaker: I move that House Bill 1117 be amended to read as follows:

Page 3, between lines 2 and 3, begin a new paragraph and insert:

"SECTION 2. IC 6-3.1-32 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]:

Chapter 32. Credit for Purchase of Qualified Equipment Sec. 1. As used in this chapter, "pass through entity" means:

- (1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
- (2) a partnership;
- (3) a limited liability company; or
- (4) a limited liability partnership.
- Sec. 2. As used in this chapter, "qualified equipment" means equipment used to produce energy that is:
 - (1) for retail or commercial use; and
 - (2) derived from the use of wind or from the use of anaerobic digestors.

- Sec. 3. As used in this chapter, "state income tax liability" means a taxpayer's total tax liability that is incurred under IC 6-3-1 through IC 6-3-7, as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.
- Sec. 4. (a) A taxpayer that purchases qualified equipment from an Indiana business (as certified by the Indiana economic development corporation) in a taxable year is entitled to a credit against state income tax liability for that taxable year. The amount of the credit is equal to ten percent (10%) of the purchase price of the qualified equipment.
- (b) A taxpayer may not claim a credit under this chapter for the purchase of qualified equipment if the taxpayer claims another state income tax credit or deduction for that same qualified equipment.
- Sec. 5. If a pass through entity is entitled to a credit under this chapter but does not have state income tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:
 - (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
 - (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.
- Sec. 6. (a) If the amount of the credit determined under this chapter for a taxpayer in a taxable year exceeds the taxpayer's state income tax liability for that taxable year, the taxpayer may carry the excess credit over for a period not to exceed the taxpayer's following five (5) taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.
- (b) A taxpayer is not entitled to a carryback or a refund of any unused credit amount.
- Sec. 7. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department.
- Sec. 8. The department, with the assistance of the Indiana utility regulatory commission, shall adopt rules necessary to carry out this chapter.".

Page 4, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 4. [EFFECTIVE JANUARY 1, 2009] IC 6-3.1-32, as added by this act, applies to taxable years beginning after December 31, 2008.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1117 as printed January 25, 2008.)

GRUBB

Motion prevailed. The bill was ordered engrossed.

House Bill 1119

Representative Austin called down House Bill 1119 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1124

Representative Goodin called down House Bill 1124 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1129

Representative Pierce called down House Bill 1129 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1137

Representative GiaQuinta called down House Bill 1137 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1140

Representative Murphy called down House Bill 1140 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1144

Representative Pelath called down House Bill 1144 for second reading. The bill was read a second time by title.

HOUSE MOTION

(Amendment 1144–1)

Mr. Speaker: I move that House Bill 1144 be amended to read as follows:

Page 2, between lines 25 and 26, begin a new line block indented and insert:

"within three (3) hours after finding the body;".

(Reference is to HB 1144 as printed January 25, 2008.)

STUTZMAN

Motion prevailed. The bill was ordered engrossed.

House Bill 1153

Representative Tyler called down House Bill 1153 for second reading. The bill was read a second time by title.

HOUSE MOTION

(Amendment 1153-8)

Mr. Speaker: I move that House Bill 1153 be amended to read as follows:

Page 2, between lines 7 and 8, begin a new paragraph and insert:

"SECTION 2. IC 4-32.2-4-9, AS AMENDED BY P.L.227-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. (a) The commission may issue an annual raffle license to a qualified organization if:

- (1) the provisions of this section are satisfied; and
- (2) the qualified organization:
 - (A) submits an application; and
 - (B) pays a fee set by the commission under IC 4-32.2-6.
- (b) The application for an annual raffle prize license must contain the following:
 - (1) The name of the qualified organization.
 - (2) The location where the raffle events will be held.
 - (3) The names of the operator and officers of the qualified organization.
 - (c) A license issued under this section:
 - (1) may must authorize the qualified organization to conduct raffle events on more than one (1) occasion at any time during a period of one (1) year;
 - (2) must state the locations of the permitted raffle events;
 - (3) must state the expiration date of the license; and
 - (4) may be reissued annually upon the submission of an application for reissuance on the form established by the commission and upon the licensee's payment of a fee set by the commission.
- (d) A license issued under this section is not required for raffles permitted under section 13 of this chapter at events held under a bingo license, a special bingo license, a charity game night license, a door prize license, or an annual door prize license.

SECTION 3. IC 4-32.2-5-6, AS AMENDED BY P.L.227-2007, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) Except as provided in IC 4-32.2-4-9 and IC 4-32.2-4-16.5, a qualified

organization may not conduct more than three (3) allowable events during a calendar week and not more than one (1) allowable event each day.

- (b) Except as provided in **IC 4-32.2-4-9**, IC 4-32.2-4-12, and IC 4-32.2-4-16.5, allowable events may not be held on more than two (2) consecutive days.
- (c) A qualified organization may conduct one (1) additional festival event during each six (6) months of a calendar year.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1153 as printed January 25, 2008.)

VAN HAAFTEN

Motion prevailed.

HOUSE MOTION (Amendment 1153-7)

Mr. Speaker: I move that House Bill 1153 be amended to read as follows:

Page 2, between lines 7 and 8, begin a new paragraph and insert:

"SECTION 2. IC 4-32.2-2-21, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 21. "Operator" means an individual who is:

- (1) designated under IC 4-32.2-5-1.5 to serve as the operator for an allowable event; and
- (2) responsible for conducting an allowable event for a qualified organization under this article in accordance with Indiana law.

SECTION 3. IC 4-32.2-2-30, AS AMENDED BY P.L.227-2007, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 30. Except as provided in IC 4-32.2-5-14(b), "worker" means an individual who helps or participates in any manner in conducting or assisting in conducting an allowable event under this article.

SECTION 4. IC 4-32.2-3-3, AS AMENDED BY P.L.227-2007, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) The commission shall adopt rules under IC 4-22-2 for the following purposes:

- (1) Administering this article.
- (2) Establishing the conditions under which charity gaming in Indiana may be conducted, including the manner in which a qualified organization may supervise a euchre game conducted under IC 4-32.2-5-14(b).
- (3) Providing for the prevention of practices detrimental to the public interest and providing for the best interests of charity gaming.
- (4) Establishing rules concerning inspection of qualified organizations and the review of the licenses necessary to conduct charity gaming.
- (5) Imposing penalties for noncriminal violations of this article.
- (6) Establishing standards for independent audits conducted under IC 4-32.2-5-5.
- (b) The commission may adopt emergency rules under IC 4-22-2-37.1 if the commission determines that:
 - (1) the need for a rule is so immediate and substantial that rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need; and
 - (2) an emergency rule is likely to address the need.

SECTION 5. IC 4-32.2-5-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1.5. For each allowable event conducted under this article, a qualified organization shall designate an individual to serve as the operator of the allowable event. An individual designated under this section must be qualified to serve as an operator under this article.

SECTION 6. IC 4-32.2-5-14, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2008]: Sec. 14. (a) An operator or a worker may not directly or indirectly participate, other than in a capacity as an operator or a worker, in an allowable event that the operator or worker is conducting.

- (b) A patron at a charity game night may deal the cards in a card game if:
 - (1) the card game in which the patron deals the cards is a game of euchre;
 - (2) the patron deals the cards in the manner required in the ordinary course of the game of euchre; and
 - (3) the euchre game is played under the supervision of the qualified organization conducting the charity game night in accordance with rules adopted by the commission under IC 4-32.2-3-3.

A patron who deals the cards in a euchre game conducted under this subsection is not considered a worker or an operator for purposes of this article.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1153 as printed January 25, 2008.)

VAN HAAFTEN

Motion prevailed.

HOUSE MOTION

(Amendment 1153–11)

Mr. Speaker: I move that House Bill 1153 be amended to read as follows:

Page 17, line 9, after "licensed" insert "or permitted".

Page 17, line 23, delete "5" and insert "6".

Page 17, line 25, after "4." insert "Two (2) or more persons described in section 1 of this chapter may comply with this chapter by joining together to form a group for the purpose of:

- (1) purchasing a group policy of liability insurance; or (2) mutual risk sharing of losses of members of the group through self insurance approved by the department of insurance as described in section 2 of this chapter;
- to provide the coverage or ability to pay a judgement as required under this chapter.

Sec. 5.".

Page 17, line 27, delete "5." and insert "6.".

Page 17, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 6. IC 27-1-3-8.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.1. (a) An insurance company may sell a group policy of liability insurance to provide the coverage required under IC 7.1-3-27-1 to a group of persons described in IC 7.1-3-27-4.

- (b) The commissioner shall, before January 1, 2009, adopt rules under IC 4-22-2 to implement IC 7.1-3-27.
- (c) Rules adopted under subsection (a) shall do at least the following:
 - (1) Establish minimum amounts of liability insurance coverage or available self insurance funds that must be maintained by a person or group of persons described in IC 7.1-3-27.
 - (2) Establish maximum risk retainment amounts and minimum stop-loss coverage requirements for a person or group of persons described in IC 7.1-3-27 that comply with IC 7.1-3-27 by holding a certificate of self insurance.
 - (3) Establish a self-insurance certification process through which a certificate of self-insurance described in IC 7.1-3-27-2 is issued.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1153 as printed January 25, 2008.)

TYLER

Motion prevailed.

HOUSE MOTION (Amendment 1153-6)

Mr. Speaker: I move that House Bill 1153 be amended to read as follows:

Page 2, between lines 29 and 30, begin a new paragraph and insert:

"Sec. 4. Nothing in this article may be construed to authorize the use of an electronic gaming device in a type II gambling operation.".

Page 2, between lines 38 and 39, begin a new paragraph and insert:

"Sec. 6. "Electronic gaming device" has the meaning set forth in IC 35-45-5-1.".

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Page 2, line 39, delete "6." and insert "7.".
Page 2, line 41, delete "7." and insert "8.".
Page 3, line 9, delete "8." and insert "9.".
Page 3, line 12, delete "9." and insert "10.".
Page 3, line 14, delete "10." and insert "11.".
Page 3, line 17, delete "11." and insert "12.".
Page 3, line 19, delete "12." and insert "13.". Page 3, line 21, delete "13." and insert "14.". Page 3, line 24, delete "14." and insert "15.".
Page 3, line 27, delete "15." and insert "16.".
Page 3, line 28, delete "16." and insert "17.".
Page 3, line 30, delete "17." and insert "18.".
Page 3, line 32, delete "18." and insert "19.".
Page 3, line 37, delete "19." and insert "20.".
Page 3, line 39, delete "20." and insert "21.".
Page 3, line 42, delete "21." and insert "22.".
Page 13, line 15, delete "(3)" and insert "(2)".
(Reference is to HB 1153 as printed January 25, 2008.)
                                                   STUTZMAN
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Motion prevailed.

HOUSE MOTION (Amendment 1153-3)

Mr. Speaker: I move that House Bill 1153 be amended to read as follows:

Page 16, between lines 38 and 39, begin a new paragraph and insert:

"SECTION 5. IC 6-8.1-10-2.1, AS AMENDED BY P.L.211-2007, SECTION 44, IS AMENDED TO READ AS FOLLOWS: Sec. 2.1. Effective 1-1-2008. See OCR attorney for section currently in effect. (a) If a person:

- (1) fails to file a return for any of the listed taxes;
- (2) fails to pay the full amount of tax shown on the person's return on or before the due date for the return or payment;
- (3) incurs, upon examination by the department, a deficiency that is due to negligence;
- (4) fails to timely remit any tax held in trust for the state; or
- (5) is required to make a payment by electronic funds transfer (as defined in IC 4-8.1-2-7), overnight courier, or personal delivery and the payment is not received by the department by the due date in funds acceptable to the department;

the person is subject to a penalty.

- (b) Except as provided in subsection subsections (g) and k, the penalty described in subsection (a) is ten percent (10%) of:
 - (1) the full amount of the tax due if the person failed to file the return:
 - (2) the amount of the tax not paid, if the person filed the return but failed to pay the full amount of the tax shown on the return:
 - (3) the amount of the tax held in trust that is not timely remitted;
 - (4) the amount of deficiency as finally determined by the department; or

- (5) the amount of tax due if a person failed to make payment by electronic funds transfer, overnight courier, or personal delivery by the due date.
- (c) For purposes of this section, the filing of a substantially blank or unsigned return does not constitute a return.
- (d) If a person subject to the penalty imposed under this section can show that the failure to file a return, pay the full amount of tax shown on the person's return, timely remit tax held in trust, or pay the deficiency determined by the department was due to reasonable cause and not due to willful neglect, the department shall waive the penalty.
- (e) A person who wishes to avoid the penalty imposed under this section must make an affirmative showing of all facts alleged as a reasonable cause for the person's failure to file the return, pay the amount of tax shown on the person's return, pay the deficiency, or timely remit tax held in trust, in a written statement containing a declaration that the statement is made under penalty of perjury. The statement must be filed with the return or payment within the time prescribed for protesting departmental assessments. A taxpayer may also avoid the penalty imposed under this section by obtaining a ruling from the department before the end of a particular tax period on the amount of tax due for that tax period.
- (f) The department shall adopt rules under IC 4-22-2 to prescribe the circumstances that constitute reasonable cause and negligence for purposes of this section.
- (g) A person who fails to file a return for a listed tax that shows no tax liability for a taxable year, other than an information return (as defined in section 6 of this chapter), on or before the due date of the return shall pay a penalty of ten dollars (\$10) for each day that the return is past due, up to a maximum of two hundred fifty dollars (\$250).
- (h) A corporation which otherwise qualifies under IC 6-3-2-2.8(2) but fails to withhold and pay any amount of tax required to be withheld under IC 6-3-4-13 shall pay a penalty equal to twenty percent (20%) of the amount of tax required to be withheld under IC 6-3-4-13. This penalty shall be in addition to any penalty imposed by section 6 of this chapter.
- (i) Subsections (a) through (c) do not apply to a motor carrier fuel tax return.
- (j) If a partnership or an S corporation fails to include all nonresidential individual partners or nonresidential individual shareholders in a composite return as required by IC 6-3-4-12(h) or IC 6-3-4-13(j), a penalty of five hundred dollars (\$500) per partnership or S corporation is imposed on the partnership or S corporation.
- (k) If a person subject to a penalty for any of the reasons set forth in subsection (a)(1) through (a)(5) pays the full amount of the tax owed not more than thirty (30) days after the associated due date, the penalty is four percent (4%) of:
 - (1) the full amount of the tax due if the person failed to file the return:
 - (2) the amount of the tax not paid, if the person filed the return but failed to pay the full amount of the tax shown on the return;
 - (3) the amount of the tax held in trust that is not timely remitted;
 - (4) the amount of deficiency as finally determined by the department; or
 - (5) the amount of tax due if the person failed to make payment by electronic funds transfer, overnight courier, or personal delivery by the due date."

Renumber all SECTIONS consecutively.

(Reference is to 1153 as printed January 25, 2008.)

BURTON

Representative Pelath rose to a point of order, citing Rule 118, stating that the motion was attempting to incorporate into House Bill 1153 a bill pending before the House. The Speaker ruled the point was well taken and the motion was out of order.

HOUSE MOTION (Amendment 1153–12)

Mr. Speaker: I move that House Bill 1153 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-31-7-1, AS AMENDED BY P.L.233-2007, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) A person holding a permit to conduct a horse racing meeting or a license to operate a satellite facility may provide a place in the racing meeting grounds or enclosure or the satellite facility at which the person may conduct and supervise the pari-mutuel system of wagering by patrons of legal age on the horse races conducted or simulcast by the person. The person may not permit or use:

- (1) another place other than that provided and designated by the person; or
- (2) another method or system of betting or wagering. However, a permit holder licensed to conduct gambling games under IC 4-35 may permit wagering on slot machines at a racetrack as permitted by IC 4-35.
- (b) Except as provided in section 7 of this chapter, and IC 4-31-5.5, and IC 4-31-7.5, the pari-mutuel system of wagering may not be conducted on any races except the races at the racetrack, grounds, or enclosure for which the person holds a permit.

SECTION 2. IC 4-31-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) The following equipment must be provided and maintained in good working order at each permit holder's racetrack or satellite facility, as applicable:

- (1) A totalizator for win, place, and show wagering. The totalizator must:
 - (A) be of a design approved by the commission;
 - (B) be capable of registering by automatic mechanical, electric, or electronic means on central aggregators all wagers made on each horse, entry, or the field in each of the win, place, and show pools;
 - (C) display the totals wagered in a manner that permits ready tabulation and recording of those totals by the commission's representative before they are cleared from the central aggregators; and
 - (D) display to the public on a board running totals of amounts wagered in each of the win, place, and show pools on each entry in each race.
- (2) A telephone system connecting the judges' stand with the office of the pari-mutuel plant and any other stations considered necessary by the commission.
- (3) A system of bells that shall be rung from the judges' stand to signal the close of wagering.
- (4) A button in the judges' stand that, when pressed, will lock ticket-issuing machines and close wagering for each race.
- (b) In addition to the requirements of subsection (a), a permit holder may conduct exotic wagering only by the use of automatic mechanical, electric, or electronic devices that:
 - (1) print and issue tickets evidencing individual wagers;
 - (2) locally print a permanent record of the tickets issued by each machine or register on central aggregators by automatic mechanical, electric, or electronic means the total dollar value of those tickets; and
 - (3) permit ready tabulation and recording of those figures by the commission's representative before they are cleared from the central aggregators.
- (c) The commission may waive the requirements of subsection (b) if the commission determines by rule that other systems or technologies are available and sufficient to safeguard the public.
 - (d) This section does not apply to a licensed SPMO (as

defined by IC 4-31-7.5-5).

SECTION 3. IC 4-31-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]:

Chapter 7.5. Advance Deposit Wagering

- Sec. 1. In enacting this chapter, it is the intent of the general assembly to recognize changes in technology for pari-mutuel wagering and to retain for the Indiana horse racing industry a portion of revenues generated by Indiana residents on wagers placed with secondary pari-mutuel organizations.
- Sec. 2. As used in this chapter, "account holder" means an Indiana resident who has established an advance deposit wagering account.
- Sec. 3. As used in this chapter, "advance deposit wagering" means a system of pari-mutuel wagering in which wagers, made in person, by telephone, or through communication by other electronic means, are debited and payouts credited to an account.
- Sec. 4. As used in this chapter, "advance deposit wagering account" means an account for advance deposit wagering held by a licensed SPMO.
- Sec. 5. As used in this chapter, "licensed SPMO" means a secondary pari-mutuel organization licensed under this chapter.
- Sec. 6. As used in this chapter, "other electronic means" means communication by any electronic communication device, including personal computers, the internet, private networks, interactive televisions and wireless communication technologies, an Interactive computer service as defined in IC 35-45-5-1, or other technologies approved by the commission.
- Sec. 7. As used in this chapter, "secondary pari-mutuel organization" means an entity that offers advance deposit wagering.
- Sec. 8. As used in this chapter, "source market fee" refers to the amount of an advance deposit wager made on any race:
 - (1) through a licensed SPMO; and
 - (2) by an individual whose principal residence is within Indiana at the time the wager is made;

that a permit holder is entitled to receive from the licensed SPMO under the terms of the contract required by section 10 of this chapter between the licensed SPMO and each permit holder.

Sec. 9. Advance deposit wagering is permitted in Indiana, subject to this chapter and to rules adopted by the commission.

- Sec. 10. (a) A licensed SPMO may accept wagers for races conducted within or outside Indiana. Wagers made under this chapter are considered to have been made in Indiana.
- (b) A licensed SPMO must have a single written contract signed by each permit holder. The contract must be approved by the commission. The contract must:
 - (1) specify the manner in which the amount of the source market fee is determined for each permit holder; and
 - (2) govern all other aspects of the business relationship between the licensed SPMO and each permit holder.
- (c) A permit holder may not enter into an exclusive agreement with a licensed SPMO.
- Sec. 11. The commission shall adopt rules under IC 4-22-2, including emergency rules, to implement this chapter, including but not limited to rules that prescribe:
 - (1) procedures for verifying the age of a person opening an advance deposit wagering account or placing a wager with a licensed SPMO;
 - (2) requirements for opening and administering advance deposit wagering accounts;
 - (3) a guarantee or acceptable surety that the full value

- of balances in an advance deposit wagering account will be paid;
- (4) record keeping requirements;
- (5) licensure procedures, including investigation of applicants, forms for licensure and procedures for renewal; and
- (6) civil penalties for violations of this chapter or a rule adopted by the commission.
- Sec. 12. A licensed SPMO shall comply with all applicable federal laws.
- Sec. 13. A secondary pari-mutuel organization applying for a license under this chapter must provide:
 - (1) Written evidence of approval, by the appropriate regulatory authority in each state where the secondary pari-mutuel organization is licensed, to conduct advance deposit wagering.
 - (2) A copy of a proposed contract executed by the applicant and each permit holder to satisfy the requirements of section 10 of this chapter.
 - (3) A nonrefundable application fee of five thousand dollars (\$5,000).
 - (4) A complete application on a form prescribed by the commission.
- (5) Any other information required by the commission. Sec. 14. The commission may require an applicant to pay any costs for background checks, investigation, and review of the license application in excess of five thousand dollars (\$5,000).
- Sec. 15. (a) The commission may issue to a secondary pari-mutuel organization a license to offer advance deposit wagering to Indiana residents if the commission:
 - (1) finds that the applicant satisfies the requirements of this chapter and the rules adopted by the commission under section 11 of this chapter; and
 - (2) approves the contract submitted under section 13 of this chapter.
- (b) The term of a license issued under this chapter is one (1) year.
- (c) The annual license renewal fee is one thousand dollars (\$1,000).
- Sec 16. The total amount of source market fees to be paid to purses shall be determined by contracts between a permit holder and the applicable horsemen's associations, subject to approval of the commission.
- Sec. 17. A secondary pari-mutuel organization that is not licensed under this chapter may not accept a wager from a person whose physical location is within Indiana at the time the wager is made.
- Sec. 18. A person less than twenty one (21) years of age may not open, own, or have access to an advance deposit wagering account.
- Sec. 19. (a) A permit holder has a right of action against a secondary pari-mutuel organization that accepts a wager in violation of section 17 of this chapter.
- (b) If the plaintiff prevails in an action filed under this section, the plaintiff is entitled to the following:
 - (1) An injunction to enjoin future violations of this chapter.
 - (2) Compensatory damages equal to any actual damage proven by the plaintiff. If the plaintiff does not prove actual damage, the plaintiff is entitled to presumptive damages of five hundred dollars (\$500) for each wager placed in violation of this chapter.
 - (3) The plaintiff's reasonable attorney's fees and other litigation costs reasonably incurred in connection with the action.
- (c) A secondary pari-mutuel organization that accepts a wager in violation of section 17 of this chapter submits to the jurisdiction of Indiana courts for purposes of this chapter.".

Page 17, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 10. IC 35-45-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. The provisions of this chapter do not apply to:

- (1) pari-mutuel wagering conducted at racetrack locations or satellite facilities licensed for pari-mutuel wagering under IC 4-31; or
- (2) wagering on horse races conducted through advance deposit wagering accounts authorized by IC 4-31-7.5.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1153 as printed January 25, 2008.)

RESKE

Motion prevailed. The bill was ordered engrossed.

House Bill 1156

Representative Tyler called down House Bill 1156 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1159

Representative Welch called down House Bill 1159 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1164

Representative Herrell called down House Bill 1164 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1164–3)

Mr. Speaker: I move that House Bill 1164 be amended to read as follows:

Page 1, between lines 4 and 5, begin a new paragraph and insert:

"Sec. 0.5. As used in this chapter, "affiliated group" means any combination of the following:

- (1) An affiliated group within the meaning provided in Section 1504 of the Internal Revenue Code (except that the ownership percentage in Section 1504(a)(2) of the Internal Revenue Code shall be determined using fifty percent (50%) instead of eighty percent (80%)) or a relationship described in Section 267(b)(11) of the Internal Revenue Code.
- (2) Two (2) or more partnerships (as defined in IC 6-3-1-19), including limited liability companies and limited liability partnerships, that have the same degree of mutual ownership as an affiliated group described in subdivision (1), as determined under the rules adopted by the department."

Page 1, between lines 16 and 17, begin a new paragraph and insert:

- "(c) Real property described in subsection (a) that is used by the owner as the owner's regular office space may not be considered a model residence for purposes of this chapter. However, this subsection does not prohibit the use of a garage or other space in the real property:
 - (1) to store or display material used to promote the real property or other similar properties; or
 - (2) as a space for meetings with prospective buyers or lessees.".

Page 2, line 5, after "in" insert "subsection (c) and".

Page 2, line 6, delete "section 7" and insert "sections 7 and 8".

Page 2, between lines 15 and 16, begin a new paragraph and insert:

"(c) A deduction allowed for a model residence under this chapter for a particular assessment date is terminated if the model residence is sold:

(1) after the assessment date of that year but before January 1 of the following year; and

(2) to a person who does not continue to use the real property as a model residence.

The county auditor shall immediately mail notice of the termination to the former owner, the property owner, and the township assessor. The county auditor shall remove the deduction from the tax duplicate and shall notify the county treasurer of the termination of the deduction.".

Page 2, line 16, after "3." insert "(a)".

Page 2, line 17, delete "notice" and insert "statement containing the information required by subsection (b)".

Page 2, line 20, delete "8" and insert "9".

Page 2, line 21, delete "deduction notice" and insert "statement".

Page 2, between lines 26 and 27, begin a new paragraph and

- "(b) The statement referred to in subsection (a) must be verified under penalties for perjury and must contain the following information:
 - (1) The assessed value of the real property for which the person is claiming the deduction.
 - (2) The full name and complete business address of the person claiming the deduction.
 - (3) The complete address and a brief description of the real property for which the person is claiming the deduction.
 - (4) The name of any other county in which the person has applied for a deduction under this chapter for that assessment date.
 - (5) The complete address and a brief description of any other real property for which the person has applied for a deduction under this chapter for that assessment

Page 2, line 27, delete "A" and insert "Subject to section 8 of this chapter, a".

Page 2, line 31, delete "notice" and insert "statement".

Page 2, line 33, delete "notice" and insert "statement".

Page 2, line 38, delete "notice" and insert "statement". Page 2, line 41, delete "notice" and insert "statement". Page 3, line 8, after "7." insert "(a)".

Page 3, between lines 14 and 15, begin a new paragraph and insert:

- "(b) A person who owns a model residence and claims a deduction under this chapter shall provide to the county auditor a notice that:
 - (1) informs the auditor of a transfer of the ownership of the model residence; and
 - (2) indicates whether the new owner is eligible to receive a deduction under this chapter.

The notice required by this subsection must be submitted to the county auditor at the same time that a sales disclosure form is filed under IC 6-1.1-5.5.

Sec. 8. The aggregate number of deductions claimed under this chapter for a particular assessment date by the owners of model residences who are a part of an affiliated group may not exceed three (3).".

Page 3, line 15, delete "8." and insert "9.".

(Reference is to HB 1164 as printed January 22, 2008.)

HERRELL

Motion prevailed. The bill was ordered engrossed.

House Bill 1165

Representative Avery called down House Bill 1165 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1165-4)

Mr. Speaker: I move that House Bill 1165 be amended to read as follows:

Page 9, line 18, after "1." insert "This chapter applies after June 30, 2009.

Sec. 2.".

Page 9, line 21, delete "2." and insert "3.".

Page 9, line 24, delete "3." and insert "4.".

Page 9, line 30, delete "4." and insert "5.".

Page 9, line 33, delete "5." and insert "6.".

Page 10, line 2, delete "and".

Page 10, line 3, after "(2)" insert "the school of origin is located in a school corporation that adjoins the school corporation in which the student is temporarily staying; and (3)".

Page 10, line 11, after "corporation" insert "described in subsection (b)".

Page 10, line 17, delete "6." and insert "7.".

Page 14, line 23, delete "2008]." and insert "2009].".

(Reference is to HB 1165 as printed January 25, 2008.)

AVERY

Motion prevailed.

HOUSE MOTION (Amendment 1165–5)

Mr. Speaker: I move that House Bill 1165 be amended to read

Page 12, line 13, after "A" delete "child" and insert "child, a child's foster parent, or a child's guardian ad litem or court appointed special advocate".

(Reference is to HB 1165 as printed January 25, 2008.)

AVERY

Motion prevailed. The bill was ordered engrossed.

Representative Fry, who had been excused, was present.

House Bill 1169

Representative Orentlicher called down House Bill 1169 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1170

Representative Orentlicher called down House Bill 1170 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1170–1)

Mr. Speaker: I move that House Bill 1170 be amended to read as follows:

Page 5, line 4, after "court," insert "a circuit court, or a superior court,".

Page 5, line 10, strike "finding of probable cause" and insert complaint filed with the commission".

Page 5, line 11, strike "The".

Page 5, line 11, delete "agreement of the".

Page 5, line 12, strike "respondent and the complainant".

Page 5, line 12, delete "is not required".

Page 5, line 13, strike "to have the claims decided in a court of law.".

Page 5, line 15, delete "if" and insert "if:

(1)".

Page 5, line 17, delete "cause." and insert "cause and the complaint has been pending with the commission for no more than ninety (90) days; or

(2) the commission has dismissed the complaint under IC 22-9-1-6(m).".

Page 5, line 23, after "court" insert "or jury".

Page 5, line 24, after "court" insert "or jury"

(Reference is to HB 1170 as printed January 25, 2008.)

ORENTLICHER

Upon request of Representatives Foley and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 61:

yeas 48, nays 47. Motion prevailed. The bill was ordered engrossed.

House Bill 1172

Representative Welch called down House Bill 1172 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1174

Representative Duncan called down House Bill 1174 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1174–1)

Mr. Speaker: I move that House Bill 1174 be amended to read as follows:

Page 4, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 4. IC 22-2-13-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2.5. As used in this chapter, "child" includes an individual who is over the age of majority.

SECTION 5. IC 22-2-13-11, AS ADDED BY P.L.151-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) An employee who:

- (1) has been employed by an employer for at least twelve
- (12) months;
- (2) has worked at least one thousand five hundred (1,500) hours during the twelve (12) month period immediately preceding the day the leave begins; and
- (3) is the **child**, spouse, parent, grandparent, or sibling of a person who is ordered to active duty;

is entitled to an unpaid leave of absence as provided in subsection (b).

- (b) An employee may take a leave of absence during one (1) or more of the following periods:
 - (1) During the thirty (30) days before active duty orders are in effect.
 - (2) During a period in which the person ordered to active duty is on leave while active duty orders are in effect.
 - (3) During the thirty (30) days after the active duty orders are terminated.
- (c) The leave of absence allowed each year under subsection (a) may not exceed a total of ten (10) working days.
- (d) An eligible employee may elect, or an employer may require the employee, to substitute any earned paid vacation leave, personal leave, or other paid leave, except for paid medical or sick leave, available to the employee for leave provided under this chapter for any part of the ten (10) day period of such leave."

Renumber all SECTIONS consecutively.

(Reference is to HB 1174 as printed January 25, 2008.)

AVERY

Motion prevailed. The bill was ordered engrossed.

House Bill 1183

Representative Dvorak called down House Bill 1183 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1209

Representative V. Smith called down House Bill 1209 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1209-1)

Mr. Speaker: I move that House Bill 1209 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning criminal law and procedure.

Page 1, delete lines 1 through 17.

Delete pages 2 through 8.

Page 9, delete lines 1 through 13.

Renumber all SECTIONS consecutively.

(Reference is to HB 1209 as printed January 25, 2008.)

ULMER

Upon request of Representatives Ulmer and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 62: yeas 70, nays 23. Motion prevailed. The bill was ordered engrossed.

House Bill 1193

Representative Simms called down House Bill 1193 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1280

Representative Pierce called down House Bill 1280 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1280-1)

Mr. Speaker: I move that House Bill 1280 be amended to read as follows:

Page 3, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 3. IC 5-16-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) This chapter does not apply to contractors or subcontractors performing public work for Purdue University on agricultural or forestry land owned or occupied by the university and used by it for educational or research purposes if the cost of the work is estimated to be less than fifty thousand dollars (\$50,000).

- (b) Except as provided in IC 5-23, this chapter does not apply to a person that has entered into an operating agreement with the state, a municipal corporation, or another political subdivision for the management or operation of a public facility under IC 5-23
- (c) This chapter does not apply to the construction of a new building for the state of Indiana or a municipal corporation to which any of the following applies:
 - (1) IC 4-13.6-2-13.
 - (2) IC 5-16-1-9.
 - (3) IC 21-34-3-8.
 - (4) IC 36-1-12-22."

Renumber all SECTIONS consecutively.

(Reference is to HB 1280 as printed January 25, 2008.)

STÚTZMÁN

Upon request of Representatives Pierce and Dvorak, the Speaker ordered the roll of the House to be called. Roll Call 63: yeas 31, nays 61. Motion failed. The bill was ordered engrossed.

House Bill 1203

Representative Pflum called down House Bill 1203 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Representative Espich, who had been excused, was present. Representative Dodge was excused.

House Bill 1210

Representative V. Smith called down House Bill 1210 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1210–3)

Mr. Speaker: I move that House Bill 1210 be amended to read as follows:

Page 2, line 29, delete "having the teacher education school or department in which the" and insert "submitting to the division of professional standards established within the department by IC 20-28-2-1.5 documents to be certified that are based on:".

Page 2, delete lines 30 through 31.

page 2, line 35, delete "the individual" and insert "from the individual's teacher education school or department that shows that the individual".

Page 2, line 38, delete "department shall" and insert "division of professional standards established by IC 20-28-2-1.5 may".

(Reference is to HB 1210 as printed January 25, 2008.)
T. HARRIS

Upon request of Representatives T. Harris and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 64: yeas 45, nays 50. Motion failed.

HOUSE MOTION (Amendment 1210-4)

Mr. Speaker: I move that House Bill 1210 be amended to read as follows:

Page 2, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 3. IC 20-28-5-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 15. (a) This section applies to an individual who is:**

- (1) licensed under this chapter, and
- (2) employed by a governing body that chooses to establish a testing program under this section.
- (b) Not more than one (1) time during each five (5) year period, an individual may request to be tested by a written examination to demonstrate the individual's increasing level of proficiency in the subject areas in which the individual teaches.
- (c) An individual who successfully demonstrates the individual's proficiency under subsection (b) is entitled to receive one thousand dollars (\$1,000) each year for the five (5) years following the individual's demonstration of proficiency, paid to the individual by the governing body.
- (d) The advisory board shall recommend to the state board for adoption, for the purposes of this section, suitable examinations that test varying levels of teacher proficiency.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1210 as printed January 25, 2008.)

T. HARRIS

Upon request of Representatives T. Harris and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 65: yeas 41, nays 52. Motion failed.

HOUSE MOTION (Amendment 1210–1)

Mr. Speaker: I move that House Bill 1210 be amended to read as follows:

Page 2, line 18, strike "This section" and insert "Subsection (b)".

Page 2, delete lines 24 through 41, begin a new paragraph and insert:

- "(c) This subsection applies to an individual who is not an individual with a disability that might affect test performance. An individual who has failed one (1) or more sections of the Praxis I examination may request a proficiency review under this subsection by submitting the following to the division:
 - (1) Verification that the individual has:
 - (A) successfully completed all other requirements of a teacher education program, including demonstrating competence in the Interstate New Teacher Assessment and Support Consortium standards, as verified by the individual's Indiana

licensing advisor at the teacher education program or an equivalent individual at an out-of-state teacher educational institution;

- (B) attempted each section of the Praxis I examination that the individual has failed at least two (2) times before applying for a proficiency review;
- (C) failed each section of the Praxis I examination that the individual has failed by three (3) or fewer points each time the individual has attempted the section:
- (D) attempted each section of the Praxis I examination not more than three (3) years before requesting a proficiency review;
- (E) successfully completed each required section of the Praxis II examination;
- (F) attained an overall grade point average of 2.8 or higher on a 4.0 scale, or its equivalent;
- (G) attained a grade point average of 3.0 or higher on a 4.0 scale, or its equivalent, in the content area to be listed on the individual's license; and
- (H) demonstrated a successful student teaching experience by providing:
 - (i) a letter from the student teaching program coordinator of the individual's teacher education program; and
 - (ii) a letter from the cooperating teacher in the school corporation in which the individual completed the student teaching experience.
- (2) A letter of recommendation from each of the following:
 - (A) A faculty member in the individual's content area at the postsecondary educational institution at which the individual completed the teacher education program.
 - (B) A pedagogy faculty member at the postsecondary educational institution at which the individual completed the teacher education program.".

(Reference is to HB 1210 as printed January 25, 2008.)
THOMPSON

Motion prevailed. The bill was ordered engrossed.

House Bill 1213

Representative Bartlett called down House Bill 1213 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1219

Representative Tyler called down House Bill 1219 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1220

Representative Dobis called down House Bill 1220 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1220-1)

Mr. Speaker: I move that House Bill 1220 be amended to read as follows:

Page 3, line 39, delete "development" and insert "board". Page 3, line 40, delete "authority".

(Reference is to HB 1220 as printed January 25, 2008.)

DOBIS

Motion prevailed.

HOUSE MOTION (Amendment 1220–2)

Mr. Speaker: I move that House Bill 1220 be amended to read as follows:

Page 6, between lines 2 and 3, begin a new paragraph and

"SECTION 4. IC 36-7.5-2-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3.5. (a) A county or city that participates in the development authority under this chapter must be a member of the development authority for at least ten (10) years after the date the county or city becomes a member of the development authority.

- (b) At least twelve (12) months and not more than eighteen (18) months before the end of a ten (10) year period under subsection (a), the fiscal body of a county or city participating in the development authority must adopt a resolution that:
 - (1) commits the county or city to an additional ten (10) years as a member of the development authority, beginning at the end of the current ten (10) year period;
 - (2) withdraws the county or city from membership in the development authority not earlier than the end of the current ten (10) year period.
- (c) The fiscal body of a county or city that participates in the development authority must adopt a resolution under subsection (b) during each ten (10) year period in which the county or city is a member of the development authority.
- (d) A county or city may withdraw from a development authority as provided in this section only with the approval of the development board.
- (e) If at the end of a ten (10) year period a county or city described withdraws from the development authority under this section:
 - (1) the terms of members of the development board from that county or city are terminated upon the effective date of the withdrawal of the county or city; and
 - (2) the county or city that withdraws from the development authority is liable to the development authority for:
 - (A) any unpaid transfers under this article that become due before the withdrawal of the county or city from the development authority is effective; and
 - (B) amounts due under any bonds issued or lease rental agreements entered into before the withdrawal of the county or city from the development authority is effective.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1220 as printed January 25, 2008.)

DOBIS

Motion prevailed.

HOUSE MOTION (Amendment 1220–3)

Mr. Speaker: I move that House Bill 1220 be amended to read as follows:

Page 4, line 21, after "Relocating" insert "or improving". (Reference is to HB 1220 as printed January 25, 2008.)

PELATH

Motion prevailed. The bill was ordered engrossed.

House Bill 1224

Representative VanHaaften called down House Bill 1224 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1224-1)

Mr. Speaker: I move that House Bill 1224 be amended to read as follows:

Page 11, delete lines 18 through 20, begin a new paragraph

"(b) The treasurer of state shall refund any amount paid

to the state under the authority of a rule voided by this act.". (Reference is to HB 1224 as printed January 25, 2008.)

TURNER

Motion prevailed. The bill was ordered engrossed.

House Bill 1244

Representative Candelaria Reardon called down House Bill 1244 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 7:00 p.m. with the Speaker in the Chair.

The Speaker ordered a roll call to determine the absence of presence of a quorum. Roll Call 66: 89 present.

HOUSE BILLS ON SECOND READING

House Bill 1249

Representative Klinker called down House Bill 1249 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1249-4)

Mr. Speaker: I move that House Bill 1249 be amended to read as follows:

Page 1, between line 15 and 16, begin a new paragraph and

"SECTION 2. IC 21-14-4-2, AS ADDED BY P.L.2-2007, SECTION 255, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Subject to subsection (b), an eligible applicant is entitled to enter, remain, and receive instruction in a state educational institution upon the same conditions, qualifications, and regulations prescribed for other applicants for admission to or scholars in the state educational institutions, without the payment of any educational costs for one hundred twenty-four (124) semester credit hours in the state educational institution.

- (b) An eligible applicant is exempt from the payment of educational costs under subsection (a) for each semester in
 - (1) the eligible applicant is enrolled in an associate's degree program or the eligible applicant's first baccalaureate degree program; and
 - (2) the eligible applicant is a full-time student pursuing a prescribed course of study.

SECTION 3. IC 21-14-7-2, AS ADDED BY P.L.2-2007, SECTION 255, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Subject to subsection (b), an eligible applicant is exempt from the payment of educational costs for instruction at the state educational institution in which the eligible applicant is enrolled or will

- (b) An eligible applicant is exempt from the payment of educational costs under subsection (a) for each semester in which:
 - (1) the eligible applicant is enrolled in an associate's degree program or the eligible applicant's first baccalaureate degree program; and
 - (2) the eligible applicant is a full-time student pursuing a prescribed course of study.".
- Page 2, line 17, delete "An" and insert "(a) Subject to subsection (b), an".
 - Page 2, between line 23 and 24, begin a new paragraph and

insert

"(b) An eligible applicant is exempt from the payment of educational costs under subsection (a) for each semester in which:

(1) the eligible applicant is enrolled in an associate's degree program or the eligible applicant's first baccalaureate degree program; and

(2) the eligible applicant is a full-time student pursuing a prescribed course of study.".

Page 3, after line 32, begin a new paragraph and insert:

"SECTION 6. [EFFECTIVE JULY 1, 2008] (a) The state student assistance commission shall include in its written statement submitted to the budget agency under IC 4-12-1-7 for the budget period beginning July 1, 2009, an amount necessary to implement IC 21-14-10, as added by this act.

(b) This SECTION expires December 31, 2008.

SECTION 7. [EFFECTIVE UPON PASSAGE] IC 21-14-4-2 and IC 21-14-7-2, both as amended by this act, apply to applications for eligible tuition or fee exemptions that are made after June 30, 2008.

SECTION 8. An emergency is declared for this act.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1249 as printed January 25, 2008.)

KLINKER

Motion prevailed.

HOUSE MOTION (Amendment 1249-2)

Mr. Speaker: I move that House Bill 1249 be amended to read as follows:

Page 3, delete lines 30 through 32.

Renumber all SECTIONS consecutively.

(Reference is to HB 1249 as printed January 25, 2008.)

RESKE

Motion prevailed. The bill was ordered engrossed.

House Bill 1253

Representative Saunders called down House Bill 1253 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1259

Representative VanDenburgh called down House Bill 1259 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1269

Representative Niezgodski called down House Bill 1269 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1269-3)

Mr. Speaker: I move that House Bill 1269 be amended to read as follows:

Page 1, line 12, after "contractor." insert "Information shared pursuant to this section is confidential and may not be published or open to public inspection.".

Page 3, line 33, after "contractor." insert "Information shared pursuant to this section is confidential and may not be published or open to public inspection.".

Page 6, line 21, delete "1057," and insert "376,".

Page 7, line 12, after "number" insert ",".

Page 7, line 12, delete "or".

Page 7, line 13, delete "number;" and insert "number or federal tax identification number;".

Page 8, line 33, delete "13(d)" and insert "19(e)".

Page 11, line 21, after "(c)" insert "Whenever the department determines that a violation of this chapter has occurred, the department shall notify the contractor or agent

of the contractor in writing of the violation.".

Page 11, line 26, delete ", may, within ten (10) working days after" and insert "may seek a hearing on the determination by filing".

Page 11, line 27, delete "receipt, file".

Page 11, line 27, delete "." and insert "within ten (10) business days after receipt of the determination and in accordance with IC 4-21.5-3-2."

Page 11, line 37, delete "The" and insert "Further, the".

Page 11, line 40, delete ".The department shall rule on" and insert "contemporaneously with the filing of the petition.".

Page 11, delete line 41.

Page 11, line 42, delete "receipt.".

Page 12, line 1, after "review" insert "and post a bond".

Page 12, line 1, delete "working" and insert "business".

Page 12, line 3, after "(d)" insert "If the contractor or agent of the contractor files a timely petition for review, the commissioner shall set a hearing on the alleged violation. The hearing must take place not more than forty-five (45) calendar days after the receipt of the request for the hearing by the department. The hearing must be held in accordance with IC 4-21.5.

(e)".

Page 12, delete lines 5 through 10.

Page 12, line 11, delete "period will result in immediate placement and publication of" and insert "the department shall place".

Page 12, line 13, delete "If".

Page 12, delete lines 14 through 20.

Page 12, line 21, delete "the contractor shall be added to the list."

Page 12, line 27, after "list." insert "If a contractor or agent of the contractor files a timely petition for review as set forth under subsection (c), the contractor's name shall not be added to the list until the department's determination that the contractor or agent of the contractor has violated this chapter is final."

Page 15, line 1, after "contractor." insert "Information shared pursuant to this section is confidential and may not be published or open to public inspection.".

Page 15, line 10, delete "established" and insert "created".

Page 15, line 14, after "contractor." insert "Information shared pursuant to this section is confidential and may not be published or open to public inspection.".

(Reference is to HB 1269 as printed January 22, 2008.)
NIEZGODSKI

Motion prevailed. The bill was ordered engrossed.

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Dobis.

House Bill 1271

Representative Stemler called down House Bill 1271 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1271–1)

Mr. Speaker: I move that House Bill 1271 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 35-50-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) A person assigned to Class I earns one (1) day of credit time for each day he every six (6) days the person is imprisoned for a crime or confined awaiting trial or sentencing.

(b) A person assigned to Class II earns one (1) day of credit time for every two (2) twelve (12) days he the person is imprisoned for a crime or confined awaiting trial or sentencing.

(c) A person assigned to Class III earns no credit time.".

Page 4, after line 19, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE JULY 1, 2008] IC 35-50-6-3, as amended by this act, applies only to persons convicted after June 30, 2008.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1271 as printed January 23, 2008.)

STUTZMAN

Upon request of Representatives Stutzman and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 67: yeas 62, nays 32. Motion prevailed. The bill was ordered engrossed.

House Bill 1275

Representative Stemler called down House Bill 1275 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1276

Representative Pflum called down House Bill 1276 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1277

Representative Herrell called down House Bill 1277 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1284

Representative Fry called down House Bill 1284 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1284-1)

Mr. Speaker: I move that House Bill 1284 be amended to read as follows:

Page 10, delete lines 5 through 7.

Renumber all SECTIONS consecutively.

(Reference is to HB 1284 as printed January 25, 2008.)

RIPLEY

Motion failed. The bill was ordered engrossed.

House Bill 1266

Representative Klinker called down House Bill 1266 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1266-1)

Mr. Speaker: I move that House Bill 1266 be amended to read as follows:

Page 1, line 1, after "(a)" insert "As used in this SECTION, "division" refers to the division of disability and rehabilitative services established by IC 12-9-1-1.

(b)".

Page 1, line 4, delete "(b)" and insert "(c)".

Page 1, line 4, delete "the" and insert "any waiver administered by the division.".

Page 1, delete line 5.

Page 1, line 6, delete "(c)" and insert "(d)".

Page 1, line 8, delete "the developmental disabilities waiver" and insert "any waiver administered by the division".

Page 1, line 11, delete "(d)" and insert "(e)".

Page 1, line 15, delete "qualify for the nursing level of care" and insert "need or receive active treatment".

Page 1, line 17, after "who" insert "is receiving service under the direction of the division in a supervised group living setting, nursing facility, or large private intermediate care facility and". Page 1, line 18, delete "safety" and insert "welfare".

Page 2, delete lines 2 through 3.

Page 2, line 4, delete "(4)" and insert "(3)".

Page 2, line 7, delete "(5)" and insert "(4)".

Page 2, line 7, delete "or young adults who are becoming too old to" and insert "who are aging out of".

Page 2, line 8, delete "reside in".

Page 2, line 11, delete "(6)" and insert "(5)".

Page 2, line 13, after "of the" insert "primary".

Page 2, line 14, after "of the" insert "primary".

Page 2, line 15, after "of the" insert "**primary**".

Page 2, line 16, after "of the" insert "primary".

Page 2, delete lines 17 through 20.

Page 2, between lines 20 and 21, begin a new line block indented and insert:

"(6) An individual who is on the waiver waiting list and has been determined to have a shortened life span as defined by the division.

(7) Any other priority as determined by the division.".

Page 2, line 21, delete "(e)" and insert "(f)".

Page 2, line 27, delete "(f)" and insert "(g)".

Page 2, line 33, delete "(g)" and insert "(h)".

Page 2, line 35, delete "(h)" and insert "(i)".

(Reference is to HB 1266 as printed January 25, 2008.)

KLINKER

Motion prevailed. The bill was ordered engrossed.

House Bill 1286

Representative Blanton called down House Bill 1286 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1290

Representative Avery called down House Bill 1290 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1290-1)

Mr. Speaker: I move that House Bill 1290 be amended to read as follows:

Page 5, line 1, reset in roman "or".

Page 5, delete lines 4 through 6.

Page 5, between lines 14 and 15, begin a new paragraph and insert:

"(g) An individual who receives foster care for older youth under IC 31-28-5 shall not be considered as an individual under subsection (f)(1) who can be one of eight (8) individuals who may receive supervision and care in a special needs foster family home.".

Page 5, line 15, strike "(g)" and insert "(h)".

Page 5, line 23, strike "(h)" and insert "(i)".

Page 5, line 31, reset in roman "or".

Page 5, delete lines 34 through 36.

Page 6, between lines 3 and 4, begin a new paragraph and nsert:

"(d) An individual who receives foster care for older youth under IC 31-28-5 shall not be considered as an individual under subsection (a)(1) who can be one of eight (8) individuals who may receive supervision and care in a foster family home."

(Reference is to HB 1290 as printed January 25, 2008.)

AVERY

Motion prevailed. The bill was ordered engrossed.

House Bill 1300

Representative Friend called down House Bill 1300 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1310

Representative V. Smith called down House Bill 1310 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1318

Representative Mays called down House Bill 1318 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

House Bill 1319

Representative Grubb called down House Bill 1319 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1319–2)

Mr. Speaker: I move that House Bill 1319 be amended to read as follows:

Page 2, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 2. IC 6-1.1-18.5-3, AS AMENDED BY P.L.224-2007, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) Except as otherwise provided in this chapter and IC 6-3.5-8-12, a civil taxing unit that is treated as not being located in an adopting county under section 4 of this chapter may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

STEP ONE: Add the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year to the part of the civil taxing unit's certified share, if any, that was used to reduce the civil taxing unit's ad valorem property tax levy under STEP EIGHT of subsection (b) for that preceding calendar year.

STEP TWO: Multiply the amount determined in STEP ONE by the amount determined in the last STEP of section 2(b) of this chapter.

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient (rounded to the nearest ten-thousandth (0.0001)), of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year, divided by the assessed value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

STEP FOUR: Determine the greater of the amount determined in STEP THREE or one (1).

STEP FIVE: Multiply the amount determined in STEP TWO by the amount determined in STEP FOUR.

STEP SIX: Add the amount determined under STEP TWO to the amount determined under subsection (c).

STEP SEVEN: Determine the greater of the amount determined under STEP FIVE or the amount determined under STEP SIX.

(b) Except as otherwise provided in this chapter and IC 6-3.5-8-12, a civil taxing unit that is treated as being located in an adopting county under section 4 of this chapter may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

STEP ONE: Add the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year to the part of the civil taxing unit's certified share, if any, used to reduce the civil taxing unit's ad valorem property tax levy under STEP EIGHT of this

subsection for that preceding calendar year.

STEP TWO: Multiply the amount determined in STEP ONE by the amount determined in the last STEP of section 2(b) of this chapter.

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year divided by the assessed value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

STEP FOUR: Determine the greater of the amount determined in STEP THREE or one (1).

STEP FIVE: Multiply the amount determined in STEP TWO by the amount determined in STEP FOUR.

STEP SIX: Add the amount determined under STEP TWO to the amount determined under subsection (c).

STEP SEVEN: Determine the greater of the amount determined under STEP FIVE or the amount determined under STEP SIX.

STEP EIGHT: Subtract the amount determined under STEP FIVE of subsection (e) from the amount determined under STEP SEVEN of this subsection.

- (c) The amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as applicable, equals the sum of the following:
 - (1) If a civil taxing unit in the immediately preceding calendar year provided an area outside its boundaries with services on a contractual basis and in the ensuing calendar year that area has been annexed by the civil taxing unit, the amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as the case may be, equals the amount paid by the annexed area during the immediately preceding calendar year for services that the civil taxing unit must provide to that area during the ensuing calendar year as a result of the annexation.
 - (2) If the civil taxing unit has had an excessive levy appeal approved under section 13(1) of this chapter for the ensuing calendar year, an amount determined by the civil taxing unit for the ensuing calendar year that does not exceed the amount of that excessive levy.

In all other cases, the amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as the case may be, equals zero (0).

(d) This subsection applies only to civil taxing units located in a county having a county adjusted gross income tax rate for resident county taxpayers (as defined in IC 6-3.5-1.1-1) of one percent (1%) as of January 1 of the ensuing calendar year. For each civil taxing unit, the amount to be added to the amount determined in subsection (e), STEP FOUR, is determined using the following formula:

STEP ONE: Multiply the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year by two percent (2%).

STEP TWO: For the determination year, the amount to be used as the STEP TWO amount is the amount determined in subsection (f) for the civil taxing unit. For each year following the determination year the STEP TWO amount is the lesser of:

- (A) the amount determined in STEP ONE; or
- (B) the amount determined in subsection (f) for the civil taxing unit.

STEP THREE: Determine the greater of:

- (A) zero (0); or
- (B) the civil taxing unit's certified share for the ensuing calendar year minus the greater of:

- (i) the civil taxing unit's certified share for the calendar year that immediately precedes the ensuing calendar year; or
- (ii) the civil taxing unit's base year certified share. STEP FOUR: Determine the greater of:
 - (A) zero (0); or
 - (B) the amount determined in STEP TWO minus the amount determined in STEP THREE.

Add the amount determined in STEP FOUR to the amount determined in subsection (e), STEP THREE, as provided in subsection (e), STEP FOUR.

(e) For each civil taxing unit, the amount to be subtracted under subsection (b), STEP EIGHT, is determined using the following formula:

STEP ONE: Determine the lesser of the civil taxing unit's base year certified share for the ensuing calendar year, as determined under section 5 of this chapter, or the civil taxing unit's certified share for the ensuing calendar year. STEP TWO: Determine the greater of:

- (A) zero (0); or
- (B) the remainder of:
 - (i) the amount of federal revenue sharing money that was received by the civil taxing unit in 1985; minus
 - (ii) the amount of federal revenue sharing money that will be received by the civil taxing unit in the year preceding the ensuing calendar year.

STEP THREE: Determine the lesser of:

- (A) the amount determined in STEP TWO; or
- (B) the amount determined in subsection (f) for the civil taxing unit.
- STEP FOUR: Add the amount determined in subsection (d), STEP FOUR, to the amount determined in STEP THREE.

STEP FIVE: Subtract the amount determined in STEP FOUR from the amount determined in STEP ONE.

- (f) As used in this section, a taxing unit's "determination year" means the latest of:
 - (1) calendar year 1987, if the taxing unit is treated as being located in an adopting county for calendar year 1987 under section 4 of this chapter;
 - (2) the taxing unit's base year, as defined in section 5 of this chapter, if the taxing unit is treated as not being located in an adopting county for calendar year 1987 under section 4 of this chapter; or
 - (3) the ensuing calendar year following the first year that the taxing unit is located in a county that has a county adjusted gross income tax rate of more than one-half percent (0.5%) on July 1 of that year.

The amount to be used in subsections (d) and (e) for a taxing unit depends upon the taxing unit's certified share for the ensuing calendar year, the taxing unit's determination year, and the county adjusted gross income tax rate for resident county taxpayers (as defined in IC 6-3.5-1.1-1) that is in effect in the taxing unit's county on July 1 of the year preceding the ensuing calendar year. For the determination year and the ensuing calendar years following the taxing unit's determination year, the amount is the taxing unit's certified share for the ensuing calendar year multiplied by the appropriate factor prescribed in the following table:

COUNTIES WITH A TAX RATE OF 1/2%

Subsection (e) Year Factor

For the determination year and each ensuing calendar year following the determination year 0

COUNTIES WITH A TAX RATE OF 3/4%

Subsection (e)

Year Factor
For the determination year and each ensuing
calendar year following the determination year ½

COUNTIES WITH A TAX RATE OF 1.0%

	Subsection (d)	Subsection (e)
Year	Factor	Factor
For the determination year .	1/6	1/3
For the ensuing calendar year		
following the determination	year 1/4	1/3
For the ensuing calendar year	ar	
following the determination	year	
by two (2) years	1/3	1/3

- (g) This subsection applies only to property taxes first due and payable after December 31, 2007. This subsection applies only to a civil taxing unit that is located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30. Notwithstanding any provision in this section or any other section of this chapter and except as provided in subsection (h), the maximum permissible ad valorem property tax levy calculated under this section for the ensuing calendar year for a civil taxing unit subject to this section is equal to the civil taxing unit's maximum permissible ad valorem property tax levy for the current calendar year.
- (h) This subsection applies only to property taxes first due and payable after December 31, 2007. In the case of a civil taxing unit that:
 - (1) is partially located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30; and
 - (2) is partially located in a county that is not described in subdivision (1);

the department of local government finance shall, notwithstanding subsection (g), adjust the portion of the civil taxing unit's maximum permissible ad valorem property tax levy that is attributable (as determined by the department of local government finance) to the county or counties described in subdivision (2). The department of local government finance shall adjust this portion of the civil taxing unit's maximum permissible ad valorem property tax levy so that, notwithstanding subsection (g), this portion is allowed to increase as otherwise provided in this section. If the department of local government finance increases the civil taxing unit's maximum permissible ad valorem property tax levy under this subsection, any additional property taxes imposed by the civil taxing unit under the adjustment shall be paid only by the taxpayers in the county or counties described in subdivision (2).

SECTION 3. IC 6-1.1-18.5-13, AS AMENDED BY P.L.196-2007, SECTION 2, AND AS AMENDED BY P.L.224-2007, SECTION 25, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13. With respect to an appeal filed under section 12 of this chapter, the local government tax control board (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) may recommend that a civil taxing unit receive any one (1) or more of the following types of relief:

(1) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2009. Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if in the judgment of the local government tax control board the increase is reasonably necessary due to increased costs of the civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services by the civil taxing unit to additional geographic areas or persons. With respect to annexation, consolidation, or other extensions of governmental services in a calendar year,

if those increased costs are incurred by the civil taxing unit in that calendar year and more than one (1) immediately succeeding calendar year, the unit may appeal under section 12 of this chapter for permission to increase its levy under this subdivision based on those increased costs in any of the following:

- (A) The first calendar year in which those costs are incurred.
- (B) One (1) or more of the immediately succeeding four (4) calendar years.
- (2) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2009. Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to meet the civil taxing unit's share of the costs of operating a court established by statute enacted after December 31, 1973. Before recommending such an increase, the local government tax control board shall consider all other revenues available to the civil taxing unit that could be applied for that purpose. The maximum aggregate levy increases that the local government tax control board may recommend for a particular court equals the civil taxing unit's estimate of the unit's share of the costs of operating a court for the first full calendar year in which it is in existence. For purposes of this subdivision, costs of operating a court include:
 - (A) the cost of personal services (including fringe benefits);
 - (B) the cost of supplies; and
 - (C) any other cost directly related to the operation of the court.
- (3) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the quotient determined under STEP SIX of the following formula is equal to or greater than one and two-hundredths (1.02):
 - STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year and in which a statewide general reassessment of real property or the initial annual adjustment of the assessed value of real property under IC 6-1.1-4-4.5 does not first become effective.
 - STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the civil taxing unit's total assessed value of all taxable property and the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year, divided by the sum of the civil taxing unit's total assessed value of all taxable property and the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the calendar year immediately preceding the particular calendar year.
 - STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).
 - STEP FOUR: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties and the total assessed value of property tax deductions in all counties under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year, divided by the sum of the total assessed value of all taxable property in all counties and the total assessed value of property tax deductions in all counties under

IC 6-1.1-12-41 or IC 6-1.1-12-42 in the calendar year immediately preceding the particular calendar year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Divide the STEP THREE amount by the STEP FIVE amount.

The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount exceeds the percentage by which the civil taxing unit may increase its levy under section 3 of this chapter based on the assessed value growth quotient determined under section 2 of this chapter.

- (4) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2009. Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to pay the costs of furnishing fire protection for the civil taxing unit through a volunteer fire department. For purposes of determining a township's need for an increased levy, the local government tax control board shall not consider the amount of money borrowed under IC 36-6-6-14 during the immediately preceding calendar year. However, any increase in the amount of the civil taxing unit's levy recommended by the local government tax control board under this subdivision for the ensuing calendar year may not exceed the lesser of:
 - (A) ten thousand dollars (\$10,000); or
 - (B) twenty percent (20%) of:
 - (i) the amount authorized for operating expenses of a volunteer fire department in the budget of the civil taxing unit for the immediately preceding calendar year; plus
 - (ii) the amount of any additional appropriations authorized during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department under this chapter; minus (iii) the amount of money borrowed under IC 36-6-6-14 during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department.
- (5) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2009. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter in order to raise revenues for pension payments and contributions the civil taxing unit is required to make under IC 36-8. The maximum increase in a civil taxing unit's levy that may be recommended under this subdivision for an ensuing calendar year equals the amount, if any, by which the pension payments and contributions the civil taxing unit is required to make under IC 36-8 during the ensuing calendar year exceeds the product of one and one-tenth (1.1) multiplied by the pension payments and contributions made by the civil taxing unit under IC 36-8 during the calendar year that immediately precedes the ensuing calendar year. For purposes of this subdivision, "pension payments and contributions made by a civil taxing unit" does not include that part of the payments or contributions that are funded by distributions made to a civil taxing unit by the state.
- (6) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2009. Permission to increase its levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:
 - (A) the township's township assistance ad valorem property tax rate is less than one and sixty-seven

hundredths cents (\$0.0167) per one hundred dollars (\$100) of assessed valuation; and

(B) the township needs the increase to meet the costs of providing township assistance under IC 12-20 and IC 12-30-4.

The maximum increase that the board may recommend for a township is the levy that would result from an increase in the township's township assistance ad valorem property tax rate of one and sixty-seven hundredths cents (\$0.0167) per one hundred dollars (\$100) of assessed valuation minus the township's ad valorem property tax rate per one hundred dollars (\$100) of assessed valuation before the increase.

- (7) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2009. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if:
 - (A) the increase has been approved by the legislative body of the municipality with the largest population where the civil taxing unit provides public transportation services; and
 - (B) the local government tax control board finds that the civil taxing unit needs the increase to provide adequate public transportation services.

The local government tax control board shall consider tax rates and levies in civil taxing units of comparable population, and the effect (if any) of a loss of federal or other funds to the civil taxing unit that might have been used for public transportation purposes. However, the increase that the board may recommend under this subdivision for a civil taxing unit may not exceed the revenue that would be raised by the civil taxing unit based on a property tax rate of one cent (\$0.01) per one hundred dollars (\$100) of assessed valuation.

- (8) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2009. Permission to a civil taxing unit to increase the unit's levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:
 - (A) the civil taxing unit is:
 - (i) a county having a population of more than one hundred forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000);
 - (ii) a city having a population of more than fifty-five thousand (55,000) but less than fifty-nine thousand (59,000);
 - (iii) a city having a population of more than twenty-eight thousand seven hundred (28,700) but less than twenty-nine thousand (29,000);
 - (iv) a city having a population of more than fifteen thousand four hundred (15,400) but less than sixteen thousand six hundred (16,600); or
 - (v) a city having a population of more than seven thousand (7,000) but less than seven thousand three hundred (7,300); and
 - (B) the increase is necessary to provide funding to undertake removal (as defined in IC 13-11-2-187) and remedial action (as defined in IC 13-11-2-185) relating to hazardous substances (as defined in IC 13-11-2-98) in solid waste disposal facilities or industrial sites in the civil taxing unit that have become a menace to the public health and welfare.

The maximum increase that the local government tax control board may recommend for such a civil taxing unit is the levy that would result from a property tax rate of six and sixty-seven hundredths cents (\$0.0667) for each one hundred dollars (\$100) of assessed valuation. For purposes of computing the ad valorem property tax levy limit

imposed on a civil taxing unit under section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular year does not include that part of the levy imposed under this subdivision. In addition, a property tax increase permitted under this subdivision may be imposed for only two (2) calendar years.

- (9) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2009. Permission for a county:
 - (A) having a population of more than eighty thousand (80,000) but less than ninety thousand (90,000) to increase the county's levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the county needs the increase to meet the county's share of the costs of operating a jail or juvenile detention center, including expansion of the facility, if the jail or juvenile detention center is opened after December 31, 1991;
 - (B) that operates a county jail or juvenile detention center that is subject to an order that:
 - (i) was issued by a federal district court; and
 - (ii) has not been terminated;
 - (C) that operates a county jail that fails to meet:
 - (i) American Correctional Association Jail Construction Standards; and
 - (ii) Indiana jail operation standards adopted by the department of correction; or
 - (D) that operates a juvenile detention center that fails to meet standards equivalent to the standards described in clause (C) for the operation of juvenile detention centers.

Before recommending an increase, the local government tax control board shall consider all other revenues available to the county that could be applied for that purpose. An appeal for operating funds for a jail or a juvenile detention center shall be considered individually, if a jail and juvenile detention center are both opened in one (1) county. The maximum aggregate levy increases that the local government tax control board may recommend for a county equals the county's share of the costs of operating the jail or a juvenile detention center for the first full calendar year in which the jail or juvenile detention center is in operation. (10) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2009. Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township needs the increase so that the property tax rate to pay the costs of furnishing fire protection for a township, or a portion of a township, enables the township to pay a fair and reasonable amount under a contract with the municipality that is furnishing the fire protection. However, for the first time an appeal is granted the resulting rate increase may not exceed fifty percent (50%) of the difference between the rate imposed for fire protection within the municipality that is providing the fire protection to the township and the township's rate. A township is required to appeal a second time for an increase under this subdivision if the township wants to further increase its rate. However, a township's rate may be increased to equal but may not exceed the rate that is used by the municipality. More than one (1) township served by the same municipality may use this appeal.

(11) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2009. Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township has been required, for the

three (3) consecutive years preceding the year for which the appeal under this subdivision is to become effective, to borrow funds under IC 36-6-6-14 to furnish fire protection for the township or a part of the township. However, the maximum increase in a township's levy that may be allowed under this subdivision is the least of the amounts borrowed under IC 36-6-6-14 during the preceding three (3) calendar years. A township may elect to phase in an approved increase in its levy under this subdivision over a period not to exceed three (3) years. A particular township may appeal to increase its levy under this section not more frequently than every fourth calendar year.

- (12) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2009. Permission to a city having a population of more than twenty-nine thousand (29,000) but less than thirty-one thousand (31,000) to increase its levy in excess of the limitations established under section 3 of this chapter if:
 - (A) an appeal was granted to the city under this section to reallocate property tax replacement credits under IC 6-3.5-1.1 in 1998, 1999, and 2000; and
 - (B) the increase has been approved by the legislative body of the city, and the legislative body of the city has by resolution determined that the increase is necessary to pay normal operating expenses.

The maximum amount of the increase is equal to the amount of property tax replacement credits under IC 6-3.5-1.1 that the city petitioned under this section to have reallocated in 2001 for a purpose other than property tax relief.

(13) A levy increase may be granted under this subdivision only for property taxes first due and payable after December 31, 2009. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if the civil taxing unit cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 of this chapter.

SECTION 4. [EFFECTIVE JULY 1, 2008] (a) IC 6-1.1-18.5-3 and IC 6-1.1-18.5-13, both as amended by this act, apply only to property taxes first due and payable after 2008.

- (b) A civil taxing unit may appeal under IC 6-1.1-18.5-12 and IC 6-1.1-18.5-13(1), as amended by this act, regardless of whether the:
 - (1) annexation;
 - (2) consolidation; or
 - (3) other extensions of governmental services by the civil taxing unit to additional geographic areas or persons;

that resulted in increased costs that are the bases of the appeal occurred before 2009.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1319 as printed January 25, 2008.)

BUCK

Motion prevailed. The bill was ordered engrossed.

House Bill 1329

Representative Reske called down House Bill 1329 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1329–1)

Mr. Speaker: I move that House Bill 1329 be amended to read as follows:

Page 3, line 15, delete "disclosure of the sex offender's Internet usage" and insert "installation on the sex offender's computer or device with Internet capability, at the sex offender's expense, of one (1) or more hardware or software

systems to monitor Internet usage; and".

Page 3, delete line 16.

Page 8, line 38, delete "disclosure of the sex offender's Internet usage by" and insert "installation on the sex offender's computer or device with Internet capability, at the sex offender's expense, of one (1) or more hardware or software systems to monitor Internet usage; and".

Page 8, delete line 39.

(Reference is to HB 1329 as printed January 23, 2008.)

RESKE

Motion prevailed.

HOUSE MOTION (Amendment 1329–4)

Mr. Speaker: I move that House Bill 1329 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1.IC 11-10-12-6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 6. (a) The department, during the ninety (90) days before a committed offender is:**

- (1) released on parole;
- (2) assigned to a community transition program; or
- (3) discharged from the department;

shall allow the committed offender to have Internet access to use web sites that contain employment information.

- (b) The department may adopt rules under IC 4-22-2 to approve Internet web sites that committed offenders may access under subsection (a).
- (c) The department shall train at least one (1) employee at each correctional facility who shall:
 - (1) supervise offender Internet access for employment searches; and
 - (2) provide employment counseling.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1329 as printed January 23, 2008.)

TURNER

Representative Pelath rose to a point of order, citing Rule 118, stating that the motion was attempting to incorporate into House Bill 1329 a bill pending before the House. The Speaker ruled the point was well taken and the motion was out of order.

HOUSE MOTION (Amendment 1329-3)

Mr. Speaker: I move that House Bill 1329 be amended to read as follows:

Page 9, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 5. IC 35-42-4-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13. (a) An offender against children (as defined in section 11 of this chapter) who, knowing that children are present:

- (1) enters; or
- (2) loiters in public within one thousand (1,000) feet of; school property, a public park, or a youth program center commits child offender loitering, a Class D felony.
 - (b) It is a defense to a prosecution under this section:
 - (1) that the person entered the school property, public park, or youth program center to vote; or
 - (2) that the person entered the school property to attend a meeting with school personnel relating to the person's child, if:
 - (A) the person notified the school that the person is an offender against children; and
 - (B) a school employee accompanied the person to and from the meeting.".

Page 9, line 42, after "IC 35-24-4-12" delete "," and insert

"and IC 35-42-4-13, both".

Page 10, line 1, delete "applies" and insert "apply". (Reference is to HB 1329 as printed January 23, 2008.)

Motion prevailed.

HOUSE MOTION (Amendment 1329-2)

Mr. Speaker: I move that House Bill 1329 be amended to read as follows:

Page 9, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 6. IC 35-45-4-5, AS AMENDED BY P.L.7-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) As used in this section, "nudity" means the showing of the human male or female genitals, pubic area, or buttocks.

(b) As used in this section, "peep" means any looking that is of a clandestine, surreptitious, prying, or secretive nature.

- (c) As used in this section, "photograph" means photographing, filming, videotaping, or creating a digitized image. The term includes using a cellular telephone, a camera, a video camera, or any other type of video recording device to create an image.
 - (a) (d) A person:
 - (1) who:
 - (A) peeps; or
 - (B) goes upon the land of another with the intent to peep;

into an occupied dwelling of another person; or

- (2) who peeps into an area where an occupant of the area reasonably can be expected to disrobe, including:
 - (A) restrooms;
 - (B) baths;
 - (C) showers; and
 - (D) dressing rooms;

without the consent of the other person, commits voyeurism, a Class B misdemeanor.

- (b) (e) However, the offense under subsection (a) (d) is a Class D felony if:
 - (1) it is knowingly or intentionally committed by means of a camera, a video camera, or any other type of video recording device; or
 - (2) the person who commits the offense has a prior unrelated conviction:
 - (A) under this section; or
 - (B) in another jurisdiction, including a military court, for an offense that is substantially similar to an offense described in this section.
- (c) "Peep" means any looking of a clandestine, surreptitious, prying, or secretive nature.
- (f) This subsection does not apply to a person who photographs a person who consents to be photographed. A person who:
 - (1) knowingly or intentionally photographs a person who:
 - (A) is in an area in which an occupant of the area reasonably can be expected to disrobe, including:
 - (i) restrooms;
 - (ii) baths;
 - (iii) showers; and
 - (iv) dressing rooms; and
 - (B) is in a state of nudity; and
 - (2) knowingly or intentionally:
 - (A) fails to destroy the image that was photographed;
 - (B) shows the image that was photographed to another person;
 - (C) publishes the image that was photographed; or
 - (D) makes the image that was photographed

available on the Internet;

after the person who is photographed asks the person tod destroy the image or to not show the image to another person;

commits photographic voyeurism, a Class A misdemeanor.".

Page 10, line 1, delete "applies" and insert "and

IC 35-45-4-5, as amended by this act, apply".

Renumber all SECTIONS consecutively. (Reference is to HB 1329 as printed January 23, 2008.)

CHERRY

Motion prevailed. The bill was ordered engrossed.

The Speaker Pro Tempore yielded the gavel to the Speaker.

House Bill 1341

Representative Stemler called down House Bill 1341 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1341–1)

Mr. Speaker: I move that House Bill 1341 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-4-10.9-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 22. "Person" means any individual partnership, firm, association, joint venture, limited liability company, or corporation or entity.".

Page 8, line 1, strike "IC 8-10-1," and insert "IC 8-10-1-3,".

Page 15, line 38, strike "IC 8-10-1." and insert "IC 8-10-1-3.".

Page 15, line 42, after "the" insert "ports of".

Page 15, line 42, reset in roman "Indiana".

Page 15, line 42, strike "commission".

Page 16, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 8. IC 6-3-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13. (a) As used in this section, "export income" means the gross receipts from the sale, transfer, or exchange of tangible personal property destined for international markets that is:

- (1) manufactured at a plant located within a maritime opportunity district established under IC 6-1.1-40; and
- (2) shipped through a port operated by the state.
- (b) As used in this section, "export sales ratio" means the quotient of:
 - (1) the taxpayer's export income; divided by
 - (2) the taxpayer's gross receipts from the sale, transfer, or exchange of tangible personal property, regardless of its destination.
- (c) As used in this section, "taxpayer" means a person or corporation that has export income.
- (d) The **ports of** Indiana port commission established by IC 8-10-1 **IC 8-10-1-3** shall notify the department when a maritime opportunity district is established under IC 6-1.1-40. The notice must include:
 - (1) the resolution passed by the commission to establish the district; and
 - (2) a list of all taxpayers located in the district.
- (e) The port commission ports of Indiana shall also notify the department of any subsequent changes in the list of taxpayers located in the district.
- (f) A taxpayer is entitled to a deduction from the taxpayer's adjusted gross income in an amount equal to the lesser of:
 - (1) the taxpayer's adjusted gross income; or
 - (2) the product of the export sales ratio multiplied by the percentage set forth in subsection (g).
- (g) The percentage to be used in determining the amount a taxpayer is entitled to deduct under this section depends upon the number of years that the taxpayer could have taken a deduction

under this section. The percentage to be used in subsection (f) is as follows:

YEAR OF DEDUCTION	PERCENTAGE
1st through 4th	100%
5th	80%
6th	60%
7th	40%
8th	20%
9th and thereafter	0%

(h) The department shall determine, for each taxpayer claiming a deduction under this section, the taxpayer's export sales ratio for purposes of IC 6-1.1-40. The department shall certify the amount of the ratio to the department of local government finance.

SECTION 9. IC 8-10-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. In order to promote the agricultural, industrial, and commercial development of the state and to provide for the general welfare by the construction and operation, in cooperation with the federal government, or otherwise, of a modern port system with terminal facilities to accommodate water, rail, truck, air-borne, and other forms of transportation, the **ports of** Indiana Port Commission is hereby authorized and empowered to construct, maintain, and operate, in cooperation with the federal government, or otherwise, at such locations as shall be approved by the governor, projects, including without limitation public ports with terminal facilities and traffic exchange points throughout Indiana for all forms of transportation, giving particular attention to the benefits which may accrue to the state and its citizens from all forms of transportation, and to issue revenue bonds of the state payable solely from revenues to pay the cost of such projects. The commission's ports of Indiana's powers are not limited to ports and may be exercised throughout Indiana for projects that enhance, foster, aid, provide, or promote economic development, public-private partnerships, and other industrial, commercial, business, and transportation purposes.

SECTION 10. IC 8-10-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. As used in this chapter, the following words and terms shall have the following meanings, unless the context shall indicate another or different meaning or intent:

- (a) The word "commission" shall mean the Indiana Port commission created by section 3 (b) of this chapter, or, if said commission shall be abolished, the board, body or commission succeeding to the principal functions thereof, or to whom the powers given by this chapter to the commission shall be given by law.
 - (b) The word "port" shall include any combination of:
 - (1) any place or places on Lake Michigan, the Ohio River, the Wabash River, or other water bodies, natural or artificial, in which water-borne vessels capable of carrying articles of commerce over navigable bodies of water may be loaded, unloaded, or accommodated; and
 - (2) nonmaritime port and traffic exchange points throughout Indiana for the transfer of goods and passengers between all modes of transportation.
 - (c) The word "project" shall include:
 - (1) any facilities, adjuncts, and appurtenances necessary or useful to operate a modern port, whether or not permanently situated at the port, including:
 - (A) the dredging of approaches to a port; and
 - (B) breakwaters, inner harbors, outer harbors, channels, canals, turning basins, docks, wharves, piers, quays, slips, loading, unloading, handling and storage equipment, warehouses, refrigerating plants and equipment, elevators for the handling and storage of grain, coal and other bulk commodities, terminal buildings or facilities, railroad equipment and trackage, roadways, airplane landing fields, parking lots, garages,

- automotive equipment, tugs, ferries, maintenance and construction vessels, communication systems, sewers, drains, works for the treatment of sewage, garbage and wastes, and the furnishing of utility service necessary to serve the property under the jurisdiction or control of the commission, ports of Indiana and other buildings and facilities which the commission ports of Indiana may deem necessary for the operation of the port; and
- (2) any other project located in Indiana, other than at a port, that the commission ports of Indiana finds will enhance, foster, aid, provide, or promote economic development, public-private partnerships, and other industrial, commercial, business, and transportation purposes.
- (d) The word "cost" as applied to a port or project means:
 - (1) the cost of construction;
 - (2) the cost of acquisition of all land, rights-of-way, property, rights, easements and interests, including lands under water and riparian rights acquired by the commission ports of Indiana for construction;
 - (3) the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which buildings or structures may be moved;
 - (4) the cost of relocating public roads;
 - (5) the cost of land or easements for roads;
 - (6) the cost of all machinery and equipment;
 - (7) financing charges;
 - (8) interest prior to and during construction and for not exceeding two (2) years after the estimated date of completion of construction;
 - (9) the cost of engineering and legal expenses, plans, specifications, surveys, and estimates of cost, traffic and revenues:
 - (10) other expenses necessary or incident to determining the feasibility or practicability of constructing any such project;
 - (11) administrative expense;
 - (12) other expenses as may be necessary or incident to the acquisition or construction of the project, the financing of the acquisition or construction, and the placing of the project in operation, including the amount authorized in the resolution of the port commission providing for the issuance of port commission revenue bonds to be paid into any special funds from the proceeds of the bonds; and
 - (13) any obligation, cost, or expense incurred by any governmental agency or person for surveys, borings, the preparation of plans and specifications, and other engineering services, or any other cost described in this section that is incurred in connection with the acquisition or construction of a project may be regarded as part of the cost of the project and may be reimbursed out of the proceeds of port commission revenue bonds as authorized by this chapter.
- (e) The word "owner" shall include all individuals, copartnerships, associations, or corporations having any title or interest in any property, rights, easements, and other interests authorized to be acquired by this chapter.
- (f) The word "revenues" shall mean all fees, tolls, rentals, gifts, grants, moneys, and all other funds coming into the possession or under the control of the commission ports of Indiana by virtue of the terms and provisions of this article, but shall not include real property or personal property other than money, nor the proceeds from the sale of bonds issued under provisions of this chapter.
- (g) The word "public roads" shall include all public highways, roads, and streets in the state, whether maintained by the state, county, city, township, or other political subdivision.
 - (h) "Ports of Indiana" means the ports of Indiana created

by section 3(a) of this chapter.

SECTION 11. IC 8-10-1-3, AS AMENDED BY P.L.235-2005, SECTION 109, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) There is hereby created a commission to be known as the "Indiana port commission" and by that name the commission may sue and be sued, and plead and be impleaded. The commission hereby The ports of Indiana is created is as a body both corporate and politic in the state of Indiana, and the exercise by the commission of the powers conferred by this article in the construction, operation, and maintenance of a port or project shall be deemed and held to be essential governmental functions of the state. but the commission shall not however be immune from liability by reason thereof.

- (b) The commission ports of Indiana shall consist be governed by a commission consisting of seven (7) members, appointed by the governor, no more than four (4) of whom shall be members of the same political party. The members shall be residents of the state, and shall have been qualified electors therein for a period of at least five (5) years next preceding their appointment. The members of the commission first appointed shall continue in office for terms expiring, in the case of two (2) members, on July 1, 1962, and in the case of three (3) members, on July 1, 1963, July 1, 1964, and July 1, 1965, and the first two (2) members appointed after January 1, 1975, shall continue in office for terms expiring July 1, 1977, for one (1) member and July 1, 1979, for the other member, respectively, and until their respective successors shall be duly appointed and qualified. The term of any member of the commission first appointed shall be designated by the governor. The successor of each such member shall be appointed for a term of four (4) years, except that any person appointed to fill a vacancy shall be appointed to serve only for the unexpired term and until a successor is duly appointed and qualified, and a member of the commission shall be eligible for reappointment. The governor may at any time remove any member of the commission for misfeasance, nonfeasance, or malfeasance in office. The members of the commission shall, within ten (10) days after their appointment, meet and qualify by subscribing an oath to discharge honestly and faithfully the duties of their office as members of such the commission. The commission shall thereafter elect one (1) of the members as chairman and another as vice-chairman, and shall appoint a secretary-treasurer who need not be a member of the commission. Four (4) members of the commission shall constitute a quorum, and the affirmative vote of four (4) members shall be necessary for any official action taken by the commission. No A vacancy in the membership of the commission shall does not impair the rights of a quorum to exercise all the rights and perform all the duties of the commission.
- (c) Before the issuance of any revenue bonds under the provisions of this article:
 - (1) each appointed member of the commission;
 - (2) the secretary-treasurer; and
 - (3) any other employee or agent of the commission ports of Indiana authorized by resolution of the commission to handle funds or sign checks;

shall give a surety bond to the state in the penal sum of fifty thousand dollars (\$50,000). Each such surety bond must be conditioned upon the faithful performance of the individual's duties, to be executed by a surety company authorized to transact business in the state as surety and to be approved by the governor and filed in the office of the secretary of state.

(d) Each appointed member of the commission shall receive an annual salary of seven thousand five hundred dollars (\$7,500), payable in monthly instalments. However, no members of such commission as appointed hereunder shall receive any salary except a per diem as fixed and approved by the budget director until said commission is able to carry on the full operations as intended by this chapter, and the budget director, subject to the

approval of the governor of the state of Indiana, shall determine when said salaries for said commission members shall commence:

- (e) Each member shall be reimbursed for the member's actual expenses necessarily incurred in the performance of the member's duties.
- (f) All expenses incurred in carrying out the provisions of this article shall be payable solely from funds provided under the authority of this article and no liability or obligation shall be incurred by the commission ports of Indiana hereunder beyond the extent to which moneys shall have been provided under the authority of this article.

(g) The commission:

(1) is responsible for implementing the powers and duties of the ports of Indiana under this article; and (2) may adopt bylaws for the regulation of the affairs of the commission and the conduct of the business of the ports of Indiana.

The commission may delegate to staff, including the chief executive, such administrative functions as the commission deems necessary or desirable to accomplish the purposes of the ports of Indiana under this article. The chief executive may delegate the chief executive's authority to the appropriate staff.

SECTION 12. IC 8-10-1-4, AS AMENDED BY P.L.232-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. Revenue bonds issued under the provisions of this article:

- (1) do not constitute a debt of the commission, ports of Indiana, the state, or any political subdivision of the state, or a pledge of the faith and credit of the commission, ports of Indiana, the state, or any political subdivision of the state:
- (2) are payable solely from the funds pledged for their payment as authorized in this article, unless the bonds are refunded by refunding bonds issued under the provisions of this chapter, which shall be payable solely from funds pledged for their payment as authorized in this article; and (3) must contain on their face a statement to the effect that the bonds, as to both principal and interest, are not an obligation of the commission, ports of Indiana, the state, or of any political subdivision of the state, but are payable solely from revenues pledged for their payment.

All expenses incurred in carrying out the provisions of this article are payable solely from funds provided under the authority of this article and nothing in this article shall be construed to authorize the commission ports of Indiana to incur indebtedness or liability on behalf of or payable by the state or any political subdivision of the state.

SECTION 13. IC 8-10-1-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4.5. Except as specifically authorized by the general assembly, the commission ports of Indiana may not pledge, in any form, to:

- (1) seek funding from the state in the event of any default in the payment of revenue bonds; or
- (2) specify, in any form, in an agreement related to revenue bonds that money appropriated by the general assembly may or shall be deposited in a debt service fund or reserve fund for the revenue bonds.

SECTION 14. IC 8-10-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) The ports of Indiana port commission may:

- (1) prepare sketches, plans, and descriptive material relating to ports or projects, as in its discretion may seem feasible, to compile data and prepare literature as to the necessity or advisability thereof, and to do other acts and things it considers necessary to promote the ports or projects and deems to be in the public interest;
- (2) carry on, in its discretion, negotiations and enter into

agreements and contracts with the federal government or agencies of the federal government or an authority established under IC 36-7-23 for the building and construction of public ports including terminal facilities, to be located within Indiana, on Lake Michigan, the Ohio River, the Wabash River, or in waters adjacent to Indiana; (3) locate and acquire suitable sites for ports or projects;

- (4) construct, develop, maintain, and operate the same in cooperation with the federal government, any agency of the federal government, a corporation established under IC 36-7-23, or otherwise, in such a manner and on such terms as will, in the discretion of the commission, ports of Indiana, best serve the commercial, industrial, and agricultural interests of the state;
- (5) provide adequate port and terminal facilities to accommodate water, rail, truck, and airborne transportation; and
- (6) provide a traffic exchange point for all forms of transportation, giving particular attention to the benefits which may accrue to the state and its citizens by the opening of the St. Lawrence Seaway and river transportation.
- (b) The title to all property included in any port or project shall be taken in the name of, and shall be in, the state of Indiana. SECTION 15. IC 8-10-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. The commission ports of Indiana is authorized and empowered to do the following:
 - (1) To adopt bylaws for the regulation of its affairs and the conduct of its business.
 - (2) (1) To adopt an official seal which shall not be the seal of the state of Indiana.
 - (3) (2) To maintain a principal office and sub-offices at such place or places within the state as it may designate.
 - (4) (3) To sue and be sued, and to plead and be impleaded in its own the name of the ports of Indiana. However, actions at law against the commission ports of Indiana shall be brought in the circuit court of the county in which the principal office of the commission ports of Indiana is located or in the circuit court of the county in which the cause of action arose, if the county is located within the state. All summonses and legal notices of every kind shall be served on the commission ports of Indiana by leaving a copy thereof at the principal office of the commission **ports of Indiana** with the person in charge thereof or with the secretary of the commission. ports of Indiana. However, no such action shall be deemed commenced until a copy of the summons and complaint, cross complaint, petition, bill, or pleading is served upon the attorney general of Indiana.
 - (5) (4) To acquire, lease, construct, maintain, repair, police, and operate a port or project as provided in this chapter, and to establish rules and regulations for the use of the port or project, and other property subject to the jurisdiction and control of the commission. ports of Indiana.
 - (6) (5) To issue both taxable and tax exempt revenue bonds of the state, payable solely from revenues, as herein provided, for the purpose of paying all or any part of the cost of a port or project.
 - (7) (6) To acquire, lease, and operate tug boats, locomotives, and any and every kind of motive power and conveyances or appliances necessary or proper to carry passengers, goods, wares, merchandise, or articles of commerce in, on, or around the port or project.
 - (8) (7) To fix and revise from time to time and to collect fees, rentals, tolls, and other charges for the use of any port or project.
 - (9) (8) To acquire, obtain option on, hold, and dispose of real and personal property in the exercise of its powers and

the performance of its duties under this chapter.

- (10) (9) To designate the location and establish, limit, and control points of ingress to and egress from a port or project.
- (11) (10) To lease to others for development or operation such portions of any port or project, on such terms and conditions as the commission ports of Indiana shall deem advisable.
- (12) (11) To make and enter into all contracts, undertakings, and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter. When the cost of any such contract for construction, or for the purchase of equipment, materials, or supplies, involves an expenditure of more than twenty-five thousand dollars (\$25,000), the commission ports of Indiana shall make a written contract with the lowest and best bidder after advertisement for not less than two (2) consecutive weeks in a newspaper of general circulation in the county where the construction will occur and in such other publications as the commission ports of **Indiana** shall determine. The notice shall state the general character of the work and the general character of the materials to be furnished, the place where plans and specifications therefor may be examined, and the time and place of receiving bids. Each bid shall contain the full name of every person or company interested in it and shall be accompanied by a sufficient bond or certified check on a solvent bank that if the bid is accepted a contract will be entered into and the performance of its proposal secured. The commission ports of Indiana may reject any and all bids. A bond with good and sufficient surety as shall be approved by the commission, ports of Indiana shall be required of all contractors in an amount equal to at least fifty percent (50%) of the contract price conditioned upon the faithful performance of the contract.
- (13) (12) To construct, assemble, or otherwise build, own, lease, operate, manage, or otherwise control any project throughout Indiana for the purpose of promoting economic growth and development throughout Indiana, retaining existing employment within Indiana, and attracting new employment opportunities within Indiana.
- (14) (13) To employ an executive director or manager a chief executive, consulting engineers, superintendents, and such other engineers, construction and accounting experts, attorneys, and other employees and agents as may be necessary in its judgment, and to fix their compensation and title, but no compensation of any employee of the commission ports of Indiana shall exceed the compensation of the highest paid officer or employee of the state.
- (15) (14) To receive and accept from any federal agency grants for or in aid of the construction of any port or project, and to receive and accept aid or contributions from any source of either money, property, labor, or other things of value, to be held, used, and applied only for the purposes for which such grants and contributions may be made.
- (16) (15) To provide coverage for its employees under the provisions of IC 22-3-2 through IC 22-3-6, and IC 22-4. (17) (16) To do all acts and things necessary or proper to carry out the powers expressly granted in this article.
- (18) (17) To hold, use, administer, and expend such sum or sums as may herein or hereafter be appropriated or transferred to the commission. ports of Indiana.

SECTION 16. IC 8-10-1-7.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7.1. (a) The commission ports of Indiana shall:

- (1) adopt:
 - (A) rules under IC 4-22-2; or
 - (B) a policy;

establishing a code of ethics for its employees; or

- (2) decide it wishes to be under the jurisdiction and rules adopted by the state ethics commission.
- (b) A code of ethics adopted by rule or policy under this section must be consistent with state law and approved by the governor.

SECTION 17. IC 8-10-1-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7.5. The department of natural resources may establish and maintain, within all ports created under this chapter and in operation on July 1, 1975, areas for the use of the citizens of this state for public fishing from the shore. The commission ports of Indiana shall cooperate fully with the department of natural resources in the implementation of this section. However, if the site of any public fishing area established under this section is subsequently leased to others for agricultural, industrial, or commercial purposes, or if required to maintain port security, the commission ports of Indiana may limit or halt public fishing in that area

SECTION 18. IC 8-10-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. If the commission ports of Indiana shall find it necessary to change the location of any portion of any public road, highway, railroad, or public utility facility, it the ports of Indiana shall cause the same to be reconstructed at such location as the division of government having jurisdiction over such road, highway, railroad or public utility facility shall deem most favorable and of substantially the same type and in as good condition as the original road, highway, or railroad or public utility facility. The cost of such reconstruction, relocation, or removal and any damage incurred in changing the location of any such road, highway, railroad, or public utility facility, shall be ascertained and paid by the commission ports of Indiana as a part of the cost of the port or project. The commission ports of Indiana shall have authority to petition the circuit court of the county wherein is situated any public road or part thereof, affected by the location therein of any port or project, for the vacation or relocation of such road or any part thereof with the same force and effect as statutes in effect on March 2, 1961, to the inhabitants of any municipality or governmental subdivision of the state. The proceedings upon such petition, whether it be for the appointment of appraisers or otherwise, shall be the same as provided by statutes in effect on March 2, 1961, for similar proceedings upon such petitions. In addition to the foregoing powers, the commission ports of Indiana and it's the authorized agents and employees of the ports of Indiana after proper notice, may enter upon any lands, waters, and premises in the state for the purpose of making surveys, soundings, drillings, and examinations as are necessary or proper for the purposes of this article, and such entry shall not be deemed a trespass, nor shall an entry for such purpose be deemed an entry under any condemnation proceedings which may be then pending; provided, that before entering upon the premises of any railroad, notice shall be given to the superintendent of such railroad involved at least five (5) days in advance of such entry, and provided, that no survey, sounding, drilling, and examination shall be made between the rails, or so close to a railroad track, as would render said track unusable. The commission ports of **Indiana** shall make reimbursement for any actual damage resulting to such lands, waters, and premises and to private property located in, on, along, over, or under such lands, waters and premises, as a result of such activities. The state of Indiana, subject to the approval of the governor, hereby consents to the use of lands owned by it, the state of Indiana, including lands lying under water and riparian rights, which are necessary or proper for the construction or operation of any port or project, provided adequate compensation is made for such use. The commission ports of Indiana shall also have power to make reasonable regulations for the installation, construction,

maintenance, repair, renewal, relocation, and removal of tracks, pipes, mains, conduits, cables, wires, towers, poles, and other equipment and appliances (referred to in this section as "public utility facilities") of any public utility in, on, along, over, or under any port or project. Whenever the commission ports of **Indiana** shall determine that it is necessary that any such public utility facilities which are, on or after March 2, 1961, located in, on, along, over, or under any port or project should be relocated or should be removed from the port or project, the public utility owning or operating such facilities shall relocate or remove the same in accordance with the order of the commission. ports of **Indiana.** However, the cost and expenses of such relocation or removal, including the cost of installing such facilities in a new location or new locations, and the cost of any lands, or any rights or interests in lands, and any other rights, acquired to accomplish such relocation or removal, shall be ascertained and paid by the commission ports of Indiana as a part of the cost of the port or project, excepting, however, cases in which such equipment or facilities are located within the limits of highways or public thoroughfares being constructed, reconstructed, or improved under the provisions of this chapter. In case of any such relocation or removal of facilities, the public utility owning or operating the same, its successors or assigns, may maintain and operate such facilities, with the necessary appurtenances, in the new location or new locations, for as long a period, and upon the same terms and conditions, as it the public utility had the right to maintain and operate such facilities in their former location or locations subject, however, to the state's right of regulation under its police powers.

SECTION 19. IC 8-10-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. (a) The commission ports of Indiana shall have power to adopt such by-laws, rules and regulations as it the ports of Indiana may deem advisable for the control and regulation of any port or project or traffic on any port or project, for the protection of and preservation of property under its jurisdiction and control, and for the maintenance and preservation of good order within the property under its control, and such by-laws, rules and regulations shall be published in a newspaper of general circulation in Marion County, Indiana, and in such other manner as the commission ports of Indiana shall prescribe; however, such rules and regulations shall provide that public officers shall be afforded ready access, while in performance of their official duty, to all property under the jurisdiction or control of the commission ports of Indiana without the payment of tolls.

- (b) Such rules and regulations adopted under this section shall be adopted under IC 4-22-2.
- (c) A person who violates a rule or regulation of the commission ports of Indiana commits a Class C infraction.

SECTION 20. IC 8-10-1-10, AS AMENDED BY P.L.232-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) The commission ports of Indiana is hereby authorized and empowered to acquire by purchase whenever it the ports of Indiana shall deem such purchase expedient, any land, property, rights, rights of way, franchises, easements, and other interests in lands, including lands under water and riparian rights, as it the ports of Indiana may deem necessary or convenient for the construction and operation of any port or project, upon such terms and at such price as may be considered by it the ports of Indiana to be reasonable and can be agreed upon between the commission ports of Indiana and the owner thereof, and to take title thereto in the name of the state.

(b) The commission ports of Indiana is hereby further authorized and empowered to sell, transfer, and convey any such land or any interest therein so acquired, or any portion thereof, when the same shall no longer be needed for such purposes. The commission ports of Indiana is further authorized and empowered to transfer and convey any such lands or interest

therein as may be necessary or convenient for the construction and operation of any port or project, or as otherwise required under the provisions of this article. However, no such sale shall be made without first obtaining the approval of the governor, and a sale may not be made at less than the appraised value established by three (3) independent appraisers appointed by the governor. The commission ports of Indiana shall be authorized to restrict the use of any land so sold by it the ports of Indiana and provide for a reversion to the commission ports of Indiana in the event the land shall not be used for the purpose represented by the purchaser, and such restrictions and reversions shall be set out in appropriate covenants in the deeds of conveyance, which deeds shall be subject to the approval of the governor.

- (c) The commission ports of Indiana shall also be authorized to lease, or grant options to lease, to others for development any portion of the land owned by the commission, ports of Indiana, on such terms as the commission ports of Indiana shall determine to be advantageous. All such leases or options to lease which leases cover a period of more than four (4) years shall be subject to the approval of the governor. Leases of lands under the jurisdiction or control of the commission ports of Indiana shall be made only for such uses and purposes as are calculated to contribute to the growth and development of ports, terminal facilities, and projects under the jurisdiction or control of the commission. ports of Indiana. In the event the commission ports of Indiana shall lease to others a building or structure financed by the issuance of revenue bonds under IC 8-10-4, the transaction must be structured as a self-liquidating or nonrecourse project (as defined in IC 8-10-4-1).
- (d) No tenant, lessee, licensee, owner of real estate located within a port or project, or other person or entity has any right, claim, title, or interest in any real estate, personal property, or common property owned by the commission, ports of Indiana, a port, a project, or the state, unless a written agreement entered into by the commission ports of Indiana expressly provides:
 - (1) the exact nature and extent of the right, claim, title, or interest;
 - (2) all the conditions under which the right, claim, title, or interest is granted; and

(3) a legal or complete description of the specific property. SECTION 21. IC 8-10-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 11. The commission ports of Indiana is hereby authorized and empowered to acquire by appropriation, under the provisions of the eminent domain law of the state, any land, including lands under water and riparian rights, property, rights, rights-of-way, franchises, easements or other property necessary or proper for the construction or the efficient operation of any port or project. The commission ports of Indiana shall also be empowered to exercise such powers of eminent domain as may be conferred upon the commission ports of Indiana by an act of Congress of the United States now in force, or which may hereafter be enacted. Title to the property condemned shall be taken in the name of the state of Indiana. Nothing herein shall authorize the commission ports of Indiana to take or disturb property or facilities constituting all or part of any presently existing or operating public port and nothing herein shall authorize the commission ports of Indiana to take or disturb property or facilities belonging to any public utility or to a common carrier engaged in interstate commerce, which property or facilities are required for the proper and convenient operation of such public utility or common carrier, unless provision is made for the restoration, relocation or duplication of such property or facilities elsewhere at the sole cost of the commission ports of Indiana excepting however, cases in which such equipment or facilities are located within the limits of existing highways or public

SECTION 22. IC 8-10-1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12. (a) A special

and distinct revolving fund is hereby created, to be known as the Indiana port fund. Expenditures from said fund shall be made only for the following:

- (1) Acquisition of land, including lands under water and riparian rights, or options for the purchase of such land for a port or project site, and incidental expenses incurred in connection with such acquisition.
- (2) Studies in connection with the port or project.
- (3) Studies in connection with transportation by water, intermodal transportation, and other modes of transportation.
- (4) Transfers to the fund established by IC 14-13-2-19 to carry out the purposes of IC 14-13-2.
- (5) Administrative expenses of the commission. ports of Indiana.

The fund shall be held in the name of the **ports of** Indiana, port commission, shall be administered by the commission, ports of Indiana, and all expenditures therefrom shall be made by the commission, ports of Indiana, subject, however, to the approval by governor and the state budget committee of all expenditures of moneys advanced to said fund by the state of Indiana. Requests for such approval shall be made in such form as shall be prescribed by the budget committee, but expenditures for acquisition of land including lands under water and riparian rights, or options for the purchase of such land, shall be specifically requested and approved as to the land to be acquired and the amount to be expended. No transfers from said fund to any other fund of the state shall be made except pursuant to legislative action. All unexpended funds appropriated to the Indiana board of public harbors and terminals by Acts 1957, c.286, s.6, are hereby transferred to and made a part of the Indiana port fund created by this section, and shall be expended for the purpose and in the manner provided by this chapter, subject only to the restrictions contained in this chapter and no others. However, not to exceed one hundred thousand dollars (\$100,000) shall be expended for any purpose other than the acquisition of land, including lands under water and riparian rights, or options for the purchase of such land for a port or project site, and incidental expenses incurred in connection with such acquisition.

(b) Upon the sale of revenue bonds for any port or project, the funds expended from the Indiana port fund in connection with the development of such port or project and any obligation or expense incurred by the commission ports of Indiana for surveys, preparation of plans and specifications, and other engineering or other services in connection with development of such port or project shall be reimbursed to the state general fund from the proceeds of such bonds.

SECTION 23. IC 8-10-1-13, AS AMENDED BY P.L.2-2007, SECTION 135, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13. (a) Subject to the approval of the governor, the commission ports of Indiana is hereby authorized to provide by resolution of the commission, at one (1) time or from time to time, for the issuance of revenue bonds of the state for the purpose of paying all or any part of the cost of a port or project under this chapter or IC 8-10-4. The principal of and the interest on such bonds shall be payable solely from the revenues specifically pledged to the payment thereof. The bonds of each issue shall be dated, shall bear interest at any rate, shall mature at such time or times not exceeding thirty-five (35) years from the date thereof, as may be determined by the commission, ports of Indiana, and may be made redeemable before maturity, at the option of the commission, ports of Indiana, at such price or prices and under such terms and conditions as may be fixed by the commission ports of Indiana in the authorizing resolution.

(b) The commission ports of Indiana shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the

bonds and the place or places of payment of principal and interest which may be at any bank or trust company within or without the state.

- (c) The bonds shall be signed in the name of the commission, ports of Indiana by it's the chairman or vice chairman of the commission or chief executive of the ports of Indiana, or by the facsimile signature of such the chairman or vice chairman of the commission or chief executive of the ports of Indiana and the official seal of the commission, ports of Indiana or facsimile thereof, shall be affixed thereto and attested by the secretary-treasurer of the commission, and any coupons attached thereto shall bear the facsimile signature of the chairman of the commission. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until such delivery.
- (d) All bonds issued under this article shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the state of Indiana.
- (e) The bonds may be issued in coupon or in registered form, or both, as the commission ports of Indiana may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest.
- (f) The bonds shall be sold at public sale in accordance with IC 21-32-3, except as provided in IC 8-10-4.
- (g) No action to contest the validity of any bonds issued by the commission ports of Indiana under this article shall be commenced more than thirty (30) days following the adoption of the resolution approving the bonds as provided in this article.
- (h) The commission ports of Indiana shall cooperate with and use the assistance of the Indiana finance authority established under IC 4-4-11 in the issuance of the bonds under this chapter or IC 8-10-4.

SECTION 24. IC 8-10-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 14. The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the port or project for which such bonds shall have been issued, and shall be disbursed in such manner and under such restrictions, if any, as the commission ports of **Indiana** may provide in the resolution authorizing the issuance of such bonds or in the trust agreement mentioned in this chapter securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than such cost, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be deemed to be of the same issue and shall be entitled to payment from that same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue shall exceed the cost of the port or project for which the same shall have been issued, the surplus shall be deposited to the credit of the sinking fund for such bonds. Prior to the preparation of definitive bonds, the commission ports of Indiana may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The commission ports of Indiana may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Bonds and any other instruments or the security for the bonds and other instruments that are authorized by this article may be issued under the provisions of this article without obtaining the consent of any officer, department, division, commission, board, bureau, or agency of the state, and without any other proceedings

or the happening of any other conditions or things than those proceedings, conditions, or things which are specifically required by this chapter.

SECTION 25. IC 8-10-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 15. The commission ports of Indiana is hereby authorized to provide by resolution for the issuance of refunding bonds of the state payable solely from revenues for the purpose of refunding any bonds then outstanding which shall have been issued under the provisions of section 13 of this chapter or IC 8-10-4-2, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds, and, if deemed advisable by the commission, ports of Indiana, for the additional purpose of constructing improvements, extensions, or enlargements of the port or project in connection with which the bonds to be refunded shall have been issued. The issuance of such bonds, the maturities and other details thereof, the rights of the holders thereof and the rights, duties and obligations of the commission ports of Indiana in respect of the same, shall be governed by the provisions of this article insofar as the same may be applicable.

SECTION 26. IC 8-10-1-16, AS AMENDED BY P.L.232-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 16. In the discretion of the commission ports of Indiana any bonds issued under the provisions of this act may be secured by a trust agreement by and between the commission ports of Indiana and a corporate trustee, which may be any trust company or bank having the powers of a trust company within the state, except as provided in IC 8-10-4. Any resolution adopted by the commission providing for the issuance of revenue bonds and any trust agreement pursuant to which such bonds are issued may pledge or assign all or any portion of the revenues received or to be received by the commission ports of Indiana except such part as may be necessary to pay the cost of the commission's ports of **Indiana's** administrative expenses, operation, maintenance and repair and to provide reserves therefor and depreciation reserves required by any bond resolution adopted or trust agreement executed by the commission, ports of Indiana, but the commission ports of Indiana shall not convey or mortgage any port or project or any part thereof, except for self liquidating or nonrecourse projects under IC 8-10-4. In authorizing the issuance of bonds for any particular port or project, the commission ports of Indiana may limit the amount of such bonds that may be issued as a first lien and charge against the revenues pledged to the payment of such bonds or the commission ports of Indiana may authorize the issuance from time to time thereafter of additional bonds secured by the same lien to provide funds for the completion of the port or project on account of which the original bonds were issued, or to provide funds to pay the cost of additional projects undertaken in connection with the development of the port or project, or for both such purposes. Such additional bonds shall be issued on such terms and conditions as may be provided in the bond resolution or resolutions adopted by the commission and in the trust agreement or any agreement supplemental thereto and may be secured equally and ratably without preference, priority, or distinction with the original issue of bonds or may be made junior thereto. Any pledge or assignment made by the commission ports of **Indiana** pursuant hereto shall be valid and binding from the time that the pledge or assignment is made and the revenues so pledged and thereafter received by the commission ports of **Indiana** shall immediately be subject to the lien of such pledge or assignment without physical delivery thereof or further act. The lien of such pledge or assignment shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the commission ports of Indiana irrespective of whether such parties have notice thereof. Neither the resolution nor any trust agreement by which a pledge is created

or assignment made need be filed or recorded except in the records of the commission. ports of Indiana. Any such trust agreement or any resolution providing for the issuance of such bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including, but not limited to, covenants setting forth the duties of the commission ports of Indiana in relation to the acquisition of property and the construction, improvement, maintenance, repair, operation, and insurance of the port or project in connection with which such bonds shall have been authorized, the rates of fees, tolls, rentals, or other charges, to be collected for the use of the project, and the custody, safeguarding, and application of all moneys, and provisions for the employment of consulting engineers in connection with the construction or operation of such project. It shall be lawful for any bank or trust company incorporated under the laws of the state which may act as depository of the proceeds of bonds or other funds of the commission, ports of Indiana, to furnish such indemnifying bonds or to pledge such securities as may be required by the commission. ports of Indiana. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders as is customary in trust agreements or trust indentures securing bonds or debentures of private corporations. In addition to the foregoing, any such trust agreement may contain such other provisions as the commission ports of Indiana may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of any such trust agreement may be treated as a part of the cost of the operation of the port or project.

SECTION 27. IC 8-10-1-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17. The commission ports of Indiana shall be authorized to fix, review, charge, and collect fees, tolls, rentals, and other charges for the use of the ports, projects, terminal facilities, and lands under the jurisdiction or control of the commission ports of Indiana or services rendered by the commission, ports of Indiana, and the aggregate thereof shall provide revenues at least sufficient to pay the cost of operation, maintenance, and repair of the port or project and terminal facilities, including the administration expenses of the commission, ports of Indiana, and in case revenue bonds are issued, sufficient to pay the interest on and principal of the bonds in accordance with their terms, and also sufficient to establish and maintain reserves created for all such purposes and for depreciation purposes. The fixing and collection of such fees, tolls, rentals and other charges and the expenditure of the revenues derived therefrom shall not be subject to the supervision or regulation by any other officer, commission, board, bureau, or agency of the state. After such bonds have been fully paid and discharged and all obligations under any trust agreement securing the same have been performed or satisfied, any remaining surplus net revenues and all surplus net revenues thereafter derived from the operation of the port or project shall be paid into the state general fund.

SECTION 28. IC 8-10-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 18. All money received pursuant to the authority of this chapter, whether as proceeds from the sale of bonds, from revenues, or otherwise, shall be deemed to be trust funds to be held and applied solely as provided in this chapter, but prior to the time when needed for use may be invested to the extent and in the manner provided by IC 5-13-10.5, insofar as applicable. Such funds shall be kept in depositories designated as depositories for funds of the state as selected by the commission, ports of Indiana, in the manner provided by the governing statutes in so far as applicable. The resolution of the commission authorizing the issuance of bonds or the trust agreement securing such bonds shall provide that any officer to whom, or any bank or trust company to which, such money shall be entrusted, shall act as trustee of such money and

shall hold and apply the same for the purposes hereof, subject to the provisions of this chapter and of the authorizing resolution or trust agreement.

SECTION 29. IC 8-10-1-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 19. Any holder of bonds issued under the provisions of this chapter or any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights given in this chapter may be restricted by the authorizing resolution or trust agreement, may, either at law or in equity, by suit, action, mandamus, or other proceedings, protect and enforce any and all rights under the statutes of the state or granted under this chapter or under such trust agreement, or the resolution authorizing the issuance of such bonds, and may enforce and compel the performance of all duties required by this chapter or by such trust agreement or resolution to be performed by the commission ports of Indiana or by any officer thereof, including the fixing, charging, and collecting of fees, tolls, rentals, or other charges for the use of the port or project.

SECTION 30. IC 8-10-1-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 20. Each port or project, as defined in section 2 of this chapter, when constructed and placed in operation shall be maintained and kept in good condition and repair by the commission. ports of Indiana. Each such project shall also be policed and operated by such force of police, tolltakers, and other operating employees as the commission ports of Indiana may in its discretion employ. All public or private property damaged or destroyed in carrying out the powers granted by this chapter shall be restored or repaired and placed in its original condition as nearly as practicable or adequate compensation made therefor out of funds provided under the authority of this chapter.

SECTION 31. IC 8-10-1-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 21. All counties, cities, towns, townships, and other political subdivisions and all public agencies and commissions of the state, notwithstanding any contrary provision of law, are hereby authorized and empowered to lease, lend, grant, or convey to the commission ports of Indiana at its request upon such terms and conditions as the proper authorities of such counties, cities, towns, townships, other political subdivisions or public agencies and commissions of the state may deem reasonable and fair and without the necessity for an advertisement, order of court, or other action or formality, other than the regular and formal action of the authorities concerned, any real or personal property owned by any such municipality or governmental subdivision which may be necessary or convenient to the effectuation of the authorized purposes of the commission. ports of Indiana.

SECTION 32. IC 8-10-1-22, AS AMENDED BY P.L.235-2005, SECTION 111, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 22. (a) The commission ports of Indiana shall cause an audit of its books and accounts to be made at least once each year by certified public accountants, and the cost thereof may be treated as a part of the cost of construction or of operations of the commission's ports and projects of the ports of Indiana. The accounts, books, and records of the ports of Indiana port commission shall be audited annually by the state board of accounts, and the cost of such audit may be treated as a part of the cost of construction or of operations of the commission's ports and projects of the ports of Indiana.

(b) The commission ports of Indiana shall, following the close of each fiscal year, submit an annual report of its activities for the preceding year to the governor, the budget committee, and the general assembly. An annual report submitted under this section to the general assembly must be in an electronic format under IC 5-14-6. Each report shall set forth a complete operating and financial statement for the commission ports of Indiana during the fiscal year it covers.

SECTION 33. IC 8-10-1-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 23. A member, agent, or employee of the commission ports of Indiana who knowingly is interested in any contract with the commission, ports of Indiana, or in the sale of any property, either real or personal, to the commission, ports of Indiana, commits a Class A misdemeanor. All such contracts are void. This section does not apply to contracts for purchases of property, real or personal, between the commission ports of Indiana and other departments, municipalities, or subdivisions of state government.

SECTION 34. IC 8-10-1-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 25. Revenue bonds issued by the commission ports of Indiana under the provisions of this article shall constitute legal investments for any private trust funds, and the funds of any banks, trust companies, insurance companies, building and loan associations, credit unions, banks of discount and deposit, savings banks, loan and trust and safe deposit companies, rural loan and savings associations, guaranty loan and savings associations, mortgage guaranty companies, small loan companies, and industrial loan and investment companies, and any other financial institutions organized under Indiana statutes. The bonds are also made securities that may be deposited with and received by all public officers and bodies of Indiana or any agency or political subdivision of Indiana and all municipalities and public commissions for any purpose for which the deposit of bonds or other obligations of Indiana is now or may be later authorized by

SECTION 35. IC 8-10-1-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 26. All final actions of the commission ports of Indiana shall be journalized and said journal shall be open to the inspection of the public at all reasonable times.

SECTION 36. IC 8-10-1-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 27. (a) The exercise of the powers granted by this article will be in all respects for the benefit of the people of the state, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions.

- (b) As the operation and maintenance of a port or project by the commission ports of Indiana will constitute the performance of essential governmental functions, the commission ports of Indiana shall not be required to pay any taxes or assessments upon any port or project or any property acquired or used by the commission ports of Indiana under the provisions of this article or upon the income therefrom. The bonds issued by the commission, ports of Indiana, the interest thereon, the proceeds received by a holder from the sale of such bonds to the extent of the holder's cost of acquisition, or proceeds received upon redemption prior to maturity or proceeds received at maturity, and the receipt of such interest and proceeds shall be exempt from taxation in the state of Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.
- (c) Notwithstanding any other statute, a lessee's leasehold estate in land that is part of a port and that is owned by the state or the commission ports of Indiana is exempt from property taxation. However, an exemption under this subsection is not available for land not located at a port.

SECTION 37. IC 8-10-1-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 29. (a) Unless the commission ports of Indiana publicly declares an emergency, it the ports of Indiana may not during any six (6) month period make separate contracts with another party for similar construction projects or the purchase of similar equipment, materials, or supplies under IC 8-10-1-7(5) without advertising for and accepting public bids, if the aggregate cost of the separate contracts is more than twenty-five thousand dollars (\$25,000).

(b) A commission member or an employee of the ports of Indiana who knowingly violates subsection (a) commits a Class D felony.

(c) A person who accepts a contract with the commission ports of Indiana knowing that subsection (a) was violated in connection with the contract commits a Class D felony and may not be a party to or benefit from any contract with a public body in the state for two (2) years from the date of the person's conviction.

SECTION 38. IC 8-10-1-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 30. The state pledges and agrees with the holders of any bonds issued under this article that the state will not limit or alter the rights vested in the commission ports of Indiana to fulfill the terms of any agreements made with the holders or in any way impair the rights or remedies of the holders until the bonds, together with the interest, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the holders, are fully met and discharged. The commission ports of Indiana is authorized to include this pledge and agreement of the state in any agreement with the holders of the bonds.

SECTION 39. IC 8-10-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) Except as otherwise provided by this chapter, the definitions set forth in IC 8-10-1-2 apply throughout this chapter.

(b) In addition to the powers conferred upon the ports of Indiana port commission by other provisions of this article, the commission, ports of Indiana, in order to promote the agricultural, industrial, and commercial development of the state or to provide for the general welfare, and in order to connect any port under its jurisdiction with any other waterway or as part of a plan to ultimately connect such port with any other waterway, shall have the power and is hereby authorized, in cooperation with the federal government or otherwise, to construct a new canal or canals or to improve any canal, river, or other waterway, or both, including but not limited to dredging and all other work required in the design and construction of shipping channels, canals, and turning basins in a manner to accommodate water-borne transportation and the construction of wharves, docks, piers, warehouses, and other facilities for the unloading of barges and other boats. In exercising the powers hereby granted, the commission ports of Indiana shall have only such powers granted to it by this article in connection with a port project as may relate to the construction of a new canal or canals or the improvement of any canal, river, or other waterway, or both, and the term "port project", as used in this article, shall be deemed to include the construction of a new canal or canals or the improvement of any canal, river, or other waterway, or both, including but not limited to dredging and all other work required in the design and construction of wharves, docks, piers, warehouses, and other facilities for the unloading of barges and other boats. provided, However, that the commission ports of **Indiana** shall make reimbursement for any actual damage to any public or private facilities, including but not limited to breakwaters, water intakes, wharfs, piers, boat docks, warehouses, and pipeline equipment resulting from such construction and other activities. Nothing in this section shall authorize the ports of Indiana port commission to take, condemn, or disturb any property right or interest in property, existing on March 10, 1967, including permits and authorities to fill and reclaim submerged lands, or any facilities constituting all or part of any operating property or any private or public port.

SECTION 40. IC 8-10-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) In addition to the powers conferred upon the **ports of** Indiana port commission by other provisions of this article, the commission, **ports of Indiana**, whenever it the ports of Indiana finds that the economic welfare of the state would thereby be benefited, by

additional employment opportunities, or by additional diversification of industry within the state, or by increased income or prosperity to the state and its residents, or for any other reason, shall have the power to acquire, construct, maintain, repair, police, and lease to others such facilities for manufacturing, storage, or processing of goods, or for the carrying on of commercial, business, or recreational activities as the commission ports of Indiana further finds will increase the traffic into or out of the project. Any such facilities and the site thereof shall not be exempt from property taxation, and the lessee in any lease thereof shall agree to pay all property taxes levied on such facilities and the site thereof.

- (b) In exercising the powers granted in this section, the commission ports of Indiana shall have all the powers granted to it by this article, in connection with a project, and the term "project", as used in IC 8-10-1, shall be deemed to include facilities, adjuncts, and appurtenances of the character referred to in this section.
- (c) It is further declared that the acquisition, construction, maintenance, repair, policing of, and leasing to others of such facilities under the conditions set forth in this section is a public purpose.
- (d) Nothing in this section shall authorize the **ports of** Indiana port commission to take, condemn, or disturb any property right or interest in property, existing on March 10, 1967, including permits and authorities to fill and reclaim submerged lands, or any facilities constituting all or part of any operating property or any private or public port. The **ports of** Indiana port commission shall make reimbursement for any actual damage to any public or private facilities, including but not limited to breakwaters, water intakes, wharves, piers, boat docks, warehouses, and pipeline equipment resulting from the exercise by it of any powers granted to it by this section.

SECTION 41. IC 8-10-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. Subject to the approval of the governor, the state budget agency, and the state budget committee, the ports of Indiana port commission may, notwithstanding the provisions of IC 8-10-1-12 or the provisions of any other statute relating to or appropriating money to the Indiana port fund, expend moneys without further appropriation than the provisions of this chapter from the Indiana port fund for the operation and maintenance of a "port" or "port project" as those terms are defined in this article, and in connection with the issuance of bonds, may covenant to set aside and may set aside moneys from the Indiana port fund in a separate fund or account with a corporate trustee or otherwise to be applied on the cost of such operation and maintenance.

SECTION 42. IC 8-10-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) Except as otherwise provided by this chapter, the definitions set forth in IC 8-10-1-2 apply throughout this chapter.

(b) In addition to the powers conferred upon the ports of Indiana port commission by other provisions of this article, the commission ports of Indiana shall have the power whenever it the ports of Indiana finds it either desirable or necessary in order to increase the water borne traffic into or out of the port to acquire, lease, construct, maintain, repair, and police facilities, adjuncts, and appurtenances for use in the business of in transit processing, finishing, reduction, conversion, completion, packaging, bottling, transshipment, or handling of commodities. In exercising the powers granted in this section, the commission ports of Indiana shall have all the powers granted to it the ports of Indiana by this article in connection with a port project, and the term "port project", as used in this article, shall be deemed and construed to include facilities, adjuncts, and appurtenances of the character referred to in this section.

SECTION 43. IC 8-10-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. Such The ports of Indiana, port commission, or a public or private agency

or corporation of the state of Indiana designated by the ports of Indiana, port commission, is hereby authorized to make application to the board established by the act of Congress approved June 18, 1934 (48 Stat. 998-1003; 19 United States Code 81a-81u) (Public Law 397, 73rd Congress) entitled "an act to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States to expedite and encourage foreign commerce and other purposes," and all acts amendatory thereto, for a grant to such the ports of Indiana, port commission, or a public or private agency or corporation of the state of Indiana designated by the ports of Indiana, port commission, of the privilege of establishing, operating, and maintaining a foreign-trade zone at such places within the state of Indiana as such commission the ports of **Indiana** may determine, including lake ports, river ports, and elsewhere, pursuant to the provisions of such act, and if such application be granted to accept such grant and to establish, operate, and maintain such zone in accordance with law.

SECTION 44. IC 8-10-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. Such The ports of Indiana port commission in any appropriation of property, under the provisions of the appropriate eminent domain law, may take either a fee simple title in any property, or easement, or right-of-way, or riparian right, or any other estate therein as in any particular instance as to any parcel of property may be deemed necessary by the commission. ports of Indiana.

SECTION 45. IC 8-10-4-1, AS AMENDED BY P.L.232-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) As used in this chapter, "self-liquidating or nonrecourse project" means:

- (1) a project for which a lease or leases have been executed providing for payment in an amount the commission ports of Indiana determines to be sufficient to pay:
 - (A) the interest and principal of the bonds to be issued to finance the cost of the project; and
 - (B) all costs of maintenance, repair, and insurance of the project; or
- (2) a project that is structured in such a manner that the commission ports of Indiana determines there is no recourse against the state or the ports of Indiana. port commission.
- (b) Other words and terms used in this chapter shall have the same meaning as in IC 8-10-1-2 and the other provisions of this article, unless otherwise specifically provided.

SECTION 46. IC 8-10-4-2, AS AMENDED BY P.L.2-2007, SECTION 136, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) In addition to the powers conferred upon the **ports of** Indiana port commission by other provisions of this article, and subject to subsection (b), the commission, ports of Indiana, in connection with any self-liquidating or nonrecourse project, shall have the following powers notwithstanding any other provision of this article to the contrary:

- (1) The revenue bonds issued by the commission ports of Indiana to finance the cost of such self-liquidating or nonrecourse project may be issued without regard to any maximum interest rate limitation in this article or any other law.
- (2) The revenue bonds issued by the commission ports of Indiana to finance the cost of such self-liquidating or nonrecourse project may be sold in such manner, either at public or private sale, as the commission ports of Indiana may determine, and the provisions of IC 21-32-3 shall not be applicable to such sale.
- (3) IC 4-13.6, IC 5-16-1, IC 5-16-2, IC 5-16-3, IC 5-16-5, IC 5-16-5.5, IC 5-16-6, IC 5-16-6.5, IC 5-16-8, IC 5-16-9, IC 5-16-10, IC 5-16-11, IC 5-16-11.1, IC 8-10-1-7(12), IC 8-10-1-29, and IC 36-1-12 do not apply to a self-liquidating or nonrecourse project.

(b) The issuance of revenue bonds by the commission ports of Indiana under this chapter is subject to the approval of the governor.

SECTION 47. IC 8-10-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. Any lease of a project may provide that the lessee, as its reasonable portion of the commission's ports of Indiana's administrative expense incurred by the ports of Indiana during the term of the lease which the lessee is required to pay by IC 8-10-1-10, shall pay to the commission ports of Indiana for the use of the harbor, the public docking facilities and public wharves and piers, all harbor, dockage, and wharfage charges established by the commission. ports of Indiana.

SECTION 48. IC 8-10-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. The cost of any project may include, instead of the cost of the acquisition of the land constituting the site of such project, the value of such land as determined by the commission. ports of Indiana. The proceeds of any revenue bonds representing the value of such land shall be deposited in the Indiana port fund.

SECTION 49. IC 8-10-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. The commission ports of Indiana may contract for the use of any license, process or device, whether patented or not, which the commission ports of Indiana finds is necessary for the operation of any project, and may permit the use thereof by any lessee on such terms and conditions as the commission ports of Indiana may determine. The cost of such license, process, or device may be included as part of the cost of the project.

SECTION 50. IC 8-15.7-8-5, AS ADDED BY P.L.47-2006, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. For the purpose of financing a qualifying project, the operator and the authority or the department may do the following:

- (1) Propose to use all or part of the revenues available to
- (2) Enter into grant agreements.
- (3) Access any designated transportation trust funds.
- (4) Access any other funds available to the authority or the department and the operator.
- (5) Accept grants from the authority, the port commission, ports of Indiana, any other state infrastructure bank, or any other agency or entity.

SECTION 51. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "Indiana port commission" means the Indiana port commission established by IC 8-10-1-3, as in effect before the effective date of this act.

- (b) As used in this SECTION, "ports of Indiana" means the ports of Indiana established by IC 8-10-1-3, as amended by this act.
- (c) After June 30, 2008, a reference to the Indiana port commission in a statute, a rule, or other document is considered a reference to the ports of Indiana, as the successor entity.".

Page 16, delete lines 2 through 42.

Delete pages 17 through 31.

Renumber all SECTIONS consecutively.

(Reference is to HB 1341 as printed January 25, 2008.)

STEMLER

Motion prevailed. The bill was ordered engrossed.

House Bill 1359

Representative Bardon called down House Bill 1359 for second reading. The bill was read a second time by title.

> HOUSE MOTION (Amendment 1359-1)

Mr. Speaker: I move that House Bill 1359 be amended to read as follows:

Page 78, line 27, delete "If the order is not".

Page 78, delete lines 28 through 31.

(Reference is to HB 1359 as printed January 25, 2008.)

BARDON

Motion prevailed.

HOUSE MOTION (Amendment 1359–2)

Mr. Speaker: I move that House Bill 1359 be amended to read as follows:

Page 75, line 29, after "card a" insert "uniform".

Page 75, line 29, delete "may not exceed the" and insert "is determined by the department.".

Page 75, delete lines 30 through 32.

(Reference is to HB 1359 as printed January 25, 2008.)

BARDON

Motion prevailed. The bill was ordered engrossed.

House Bill 1379

Representative Ripley called down House Bill 1379 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 1379–1)

Mr. Speaker: I move that House Bill 1379 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning insurance.

Delete everything after the enacting clause and insert the

SECTION 1. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "committee" refers to the interim study committee on viatical settlement contracts established by this SECTION.

- (b) As used in this SECTION, "viatical settlement contract" has the meaning set forth in IC 27-8-19.8-6.
- (c) There is established the interim study committee on viatical settlement contracts. The committee shall study the regulation of viatical settlement contracts and activities related to viatical settlement contracts.
- (d) The committee consists of the following twelve (12) members:
 - (1) Six (6) members appointed by the speaker of the house of representatives. Not more than three (3) members appointed under this subdivision may be members of the same political party. One (1) member appointed under this subdivision shall serve as the chairperson of the committee.
 - (2) Six (6) members appointed by the president pro tempore of the senate. Not more than three (3) members appointed under this subdivision may be members of the same political party.
- (e) The committee shall operate under the policies governing study committees adopted by the legislative council.
- (f) The affirmative votes of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including final reports.
- (g) The committee shall, not later than November 1, 2008, submit to the legislative council in an electronic format under IC 5-14-6 a final report regarding the committee's activities, including recommendations for legislation concerning regulation of viatical settlement contracts and activities related to viatical settlement contracts.

(h) This SECTION expires December 31, 2008. SECTION 2. An emergency is declared for this act. (Reference is to HB 1379 as printed January 25, 2008.) **CHEATHAM**

Representative Foley rose to a point of order, citing Rule 119.1, stating that the motion proposed to substitute a different subject matter without the written consent of the author and coauthors. The Speaker ruled the point was well taken and the motion was out of order.

HOUSE MOTION (Amendment 1379-4)

Mr. Speaker: I move that House Bill 1379 be amended to read as follows:

Page 7, line 38, delete "IC 27-18" and insert "IC 27-8-19.8". Page 8, delete lines 7 through 42, begin a new paragraph and insert:

"SECTION 2. IC 27-8-19.8-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1.5. As used in this chapter, "business of viatical settlements" means any of the following activities related to a viatical settlement contract:

- (1) Offering to enter into a viatical settlement contract.
- (2) Solicitation.
- (3) Negotiation.
- (4) Procurance.
- (5) Effectuation.
- (6) Monitoring.
- (7) Tracking.

SECTION 3. IC 27-8-19.8-2.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2.2. As used in this chapter, "financing entity" means an underwriter, placement agent, lender, purchaser of securities, viatical settlement purchaser, credit enhancer, or another entity that has a:

- (1) direct ownership interest in a viaticated policy;
- (2) principal function related to a viatical settlement contract of providing funds to:
 - (A) effect the viatical settlement contract; or
 - (B) purchase a viaticated policy; and
- (3) written agreement with at least one (1) viatical settlement provider to finance the acquisition of viatical settlement contracts.

The term does not include a nonaccredited investor or viatical settlement purchaser.

SECTION 4. IC 27-8-19.8-2.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2.3. As used in this chapter, "financing transaction" means a transaction in which a viatical settlement provider obtains financing from a financing entity, including secured or unsecured financing, a securitization transaction, or a securities offering that is registered or exempt from registration under state and federal securities law.

SECTION 5. IC 27-8-19.8-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 2.5.** As used in this chapter, "fraudulent viatical settlement act" includes the following:

- (1) Knowingly or with intent to defraud and for the purpose of depriving another of property or for pecuniary gain, engaging in or permitting one's employees or agents to engage in the following:
 - (A) Presenting, causing to be presented, or preparing with knowledge or belief that it will be presented to or by a viatical settlement provider, viatical settlement broker, viatical settlement purchaser, financing entity, insurer, insurance producer, or another person, any false material information, or concealing material information, as part of, in support of, or concerning a fact material to at least one (1) of the following:

(i) An application for the issuance of a viatical settlement contract or life insurance policy.

- (ii) The underwriting of a viatical settlement contract or life insurance policy.
- (iii) A claim for payment or benefit under a viatical settlement contract or life insurance policy.
- (iv) Premiums paid on a life insurance policy.
- (v) Payments and changes in ownership or beneficiary made in accordance with the terms of a viatical settlement contract or life insurance policy.
- (vi) The reinstatement or conversion of a life insurance policy.
- (vii) The solicitation, offer, effectuation, or sale of a viatical settlement contract or life insurance policy.
- (viii) The issuance of written evidence of a viatical settlement contract or life insurance policy.
- (ix) An application for, the existence of, or payments related to a loan that is secured directly or indirectly by an interest in a life insurance policy.
- (B) Employing a device, scheme, or artifice to defraud in the business of viatical settlements.
- (C) Failing to disclose to an insurer that requests the disclosure that a prospective insured has undergone a life expectancy evaluation by a person other than the insurer or an authorized representative of the insurer in connection with the issuance of a life insurance policy.
- (D) In the solicitation, application, or issuance of a life insurance policy, employing a device, scheme, or artifice in violation of insurable interest law.
- (2) In the furtherance of a fraud or to prevent the detection of a fraud, knowingly or intentionally doing or permitting one's employees or agents to do any of the following:
 - (A) Removing, concealing, altering, destroying, or sequestering from the commissioner the assets or records of a licensee or other person engaged in the business of viatical settlements.
 - (B) Misrepresenting or concealing the financial condition of a licensee, financing entity, insurer, or other person.
 - (C) Transacting the business of viatical settlements in violation of laws requiring a license, certificate of authority, or other legal authority for the transaction of the business of viatical settlements.
 - (C) Filing with the commissioner or the chief insurance regulatory official of another jurisdiction a document containing false information or otherwise concealing information about a material fact from the commissioner.
 - (D) Engaging in embezzlement, theft, misappropriation, or conversion of money, funds, premiums, credits, or other property of a viatical settlement provider, insurer, insured, viator, owner, or another person engaged in the business of viatical settlements or insurance.
 - (E) Entering into, brokering or otherwise dealing in a viatical settlement contract, the subject of which is a life insurance policy that was obtained by knowingly:
 - (i) presenting false information concerning a fact material to the life insurance policy; or
 - (ii) concealing, for the purpose of misleading another person, information concerning a fact material to the life insurance policy;

with the intent to defraud the life insurance policy's

issuer.

(F) Misrepresenting a life insurance policy's owner's residency to be another jurisdiction for the purpose of evading or avoiding regulation under this chapter.

(3) Knowingly or intentionally engaging in any practice or plan that involves stranger originated life insurance.

(4) Attempting to commit, assisting, aiding, or abetting in the commission of, or conspiring to commit an act or omission described in this section.

SECTION 6. IC 27-8-19.8-3, AS AMENDED BY P.L.223-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. As used in this chapter, "insured" refers to an individual whose life is the subject of insurance under a life insurance policy. or contract.

SECTION 7. IC 27-8-19.8-3.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 3.3.** As used in this chapter, "licensee" refers to a viatical settlement provider or a viatical settlement broker that is licensed under this chapter.

SECTION 8. IC 27-8-19.8-3.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 3.4.** As used in this chapter, "life insurance policy" refers to an individual or group policy, certificate, or contract of life insurance.

SECTION 9. IC 27-8-19.8-3.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 3.6.** As used in this chapter, "owner" means a person that:

- (1) owns an individual life insurance policy; or
- (2) is the certificate holder under a group life insurance policy.

SECTION 10. IC 27-8-19.8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) As used in this chapter, "viatical settlement provider" means a person, other than a viator, that:

- (1) enters into a viatical settlement contract with a viator; or
- (2) obtains financing for the purchase, acquisition, transfer, or other assignment of one (1) or more viatical settlement contracts, viaticated policies, or interests therein, or otherwise sells, assigns, transfers, pledges, hypothecates, or disposes of one (1) or more viatical settlement contracts, viaticated policies, or interests therein.
- (b) The term does not include any of the following:
 - (1) A bank, savings bank, savings association, credit union, or other licensed lending institution that takes an assignment of a life insurance policy as collateral for a loan
 - (2) The issuer of a life insurance policy that makes a policy loan, permits surrender of the policy, or pays other policy benefits, including accelerated benefits, in accordance with the terms of the **life insurance** policy.

SECTION 11. IC 27-8-19.8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) As used in this chapter, "viatical settlement contract" means an a written agreement for that:

- (1) is entered into between a viatical settlement provider and an owner; and
- (2) establishes the terms under which the purchase, sale, assignment, transfer, devise, or bequest of owner:
 - (A) receives payment of compensation that is:
 - (i) less than the expected death benefit of the owner's life insurance policy; and
 - (ii) more than the cash surrender value or accelerated death benefit of the owner's life insurance policy at the time the application for the written agreement is made; and
 - (B) sells, assigns, transfers, devises, or bequeaths the

death benefit or a portion of the death benefit or ownership of a the life insurance policy or contract in exchange for consideration that is less than the expected death benefit of the life insurance policy. or contract. the compensation described in clause (A).

- (b) The term includes the following:
 - (1) A written agreement for a loan or other lending transaction that is secured primarily by a life insurance policy.
 - (2) A premium finance loan made for a life insurance policy on or before the date of issuance of the life insurance policy in a situation in which:
 - (A) the premium finance loan proceeds are not used solely to pay:
 - (i) premiums for the life insurance policy; or
 - (ii) costs or expenses incurred by the lender or borrower in connection with the premium finance loan:
 - (B) the owner receives on the date of the premium finance loan a guarantee of the future viatical settlement value of the life insurance policy; or
 - (C) the owner agrees on the date of the premium finance loan to sell the life insurance policy or any part of the life insurance policy's death benefit on any date after the date of issuance of the life insurance policy.
 - (3) A transfer, for compensation or value, of ownership or beneficial interest in a trust or other entity that:
 - (A) owns a life insurance policy; and
 - (B) was formed or availed of for the principal purpose of acquiring at least one (1) life insurance policy.
- (c) The term does not include the following:
 - (1) A **policy** loan by an insurer under the terms of:
 - (A) a life insurance policy including a loan secured by the cash value of a or rider; or
 - (B) accelerated death benefit provisions contained in a life insurance policy or rider.
 - (2) An agreement with A premium finance loan or another loan made by a bank savings bank, savings and loan association, credit union, or other licensed lending financial institution that takes an assignment of a life insurance policy as collateral for a loan. if:
 - (A) a default on the loan; or
 - (B) a transfer of the life insurance policy in connection with a default on the loan;

does not occur in connection with an agreement or understanding with another person for the purpose of evading regulation under this chapter.

- (3) The provision of accelerated death benefits by an insurer to an insured under the provisions of a life insurance contract.
- (4) Agreements between an insurer and a reinsurer.
- (5) An agreement by a person who enters into not more than one (1) such agreement in any five (5) year period to purchase a life insurance policy or contract for the transfer of a life insurance policy for a value that is less than the expected death benefit.
- (3) A collateral assignment of a life insurance policy by the owner.
- (4) A loan that:
 - (A) is made by a lender;
 - (B) does not violate Indiana law related to insurance premium finance loans; and
 - (C) is not described in subsection (a) or (b).
- (5) An agreement in which all parties to the agreement:(A) are closely related to the insured by blood or law.
 - (B) have a lawful substantial economic interest in the continued life, health, and bodily safety of the

insured; or

- (C) are trusts established primarily for the benefit of the trusts.
- (6) A designation, consent, or agreement by an insured who is an employee of an employer in connection with the purchase by:
 - (A) the employer; or
 - (B) a trust established by the employer;
- of life insurance under which the employee is an insured.
- (7) A bona fide business succession planning arrangement:
 - (A) between:
 - (i) at least two (2) shareholders in a corporation; or
 - (ii) a corporation and at least one (1) of the corporation's shareholders or at least one (1) trust established by the corporation's shareholders;
 - (B) between:
 - (i) at least two (2) partners in a partnership; or (ii) a partnership and at least one (1) of the partnership's partners or at least one (1) trust established by the partnership's partners; or
 - (C) between
 - (i) at least two (2) members in a limited liability company; or
 - (ii) a limited liability company and at least one (1) of the limited liability company's members or at least one (1) trust established by the limited liability company's members.
- (8) An agreement entered into by:
 - (A) a service recipient, or a trust established by a service recipient; and
 - (B) a service provider, or a trust established by a service provider, who performs significant services for the service recipient's trade or business.
- (9) Another contract, transaction, or arrangement exempted from the definition of "viatical settlement contract" by the commissioner based on a determination that the contract, transaction, or arrangement is not intended to be regulated under this chapter.

SECTION 12. IC 27-8-19.8-6.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 6.3.** As used in this chapter, "viatical settlement purchaser" means a person that provides consideration for:

- (1) a beneficial interest in a trust that is vested with; or
- (2) the assignment, transfer, or sale of;

an ownership or other interest in a viaticated policy.

SECTION 13. IC 27-8-19.8-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6.5. As used in this chapter, "viaticated policy" means a life insurance policy or certificate that has been acquired by a viatical settlement provider under a viatical settlement contract.

SECTION 14. IC 27-8-19.8-7.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7.4. As used in this chapter, "premium finance loan" means a loan that is:

- (1) made primarily for the purpose of making premium payments on a life insurance policy; and
- (2) secured by an interest in the life insurance policy. SECTION 15. IC 27-8-19.8-7.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7.6. As used in this chapter, "related provider trust" means a trust that:
 - (1) is established by a viatical settlement provider or a financing entity for the sole purpose of holding the ownership or beneficial interest in viaticated policies in connection with a financing transaction; and

- (2) is evidenced by a written agreement between the trust and the viatical settlement provider described in subdivision (1) under which:
 - (A) the viatical settlement provider is responsible for ensuring compliance with all statutory and regulatory requirements; and
 - (B) the trust agrees to make all records and files related to viatical settlement transactions available to the commissioner as if the records and files were maintained directly by the viatical settlement provider.

SECTION 16. IC 27-8-19.8-7.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7.7. As used in this chapter, "special purpose entity" means a corporation, partnership, trust, limited liability company, or another legal entity formed solely to provide direct or indirect access to institutional capital markets:

- (1) for a financing entity or viatical settlement provider; or
- (2) in connection with a transaction in which the securities in the corporation, partnership, trust, limited liability company, or other entity:
 - (A) are acquired by a viator or by qualified institutional buyers (as defined under the federal Securities Act of 1933, as amended (17 CFR 144)); or (B) pay a fixed rate of return commensurate with established asset-backed institutional capital markets.

SECTION 17. IC 27-8-19.8-7.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1 2008]: Sec. 7.8. (a) As used in this chapter, "stranger originated life insurance" means a practice or plan to initiate a life insurance policy for the benefit of a third party investor who, at the time the life insurance policy is originated, has no insurable interest in the insured.

- (b) The term includes the following:
 - (1) An arrangement under which, at the time of life insurance policy inception:
 - (A) a life insurance policy is purchased with resources or guarantees from or through a person that is not legally permitted to initiate the life insurance policy; and
 - (B) a written or verbal arrangement or agreement is made to transfer the ownership of the life insurance policy or policy benefits to a third party.
 - (2) A trust that is:
 - (A) created to give an appearance of the existence of an insurable interest; and
 - (B) used to initiate a life insurance policy for an investor.
- (c) The term does not include an arrangement described in section 6(c) of this chapter.

SECTION 18. IC 27-8-19.8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. As used in this chapter, "viator" refers to the owner of a life insurance policy or a certificate holder under a group policy that insures the life of an insured who enters or seeks to enter into a viatical settlement contract

SECTION 19. IC 27-8-19.8-9.2, AS ADDED BY P.L.223-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9.2. An insurance producer that:

- (1) is licensed under IC 27-1-15.6; and
- (2) sells a life insurance policy or contract that, less than two (2) years after the insurance producer sells the **life** insurance policy, or contract, is the subject of a viatical settlement contract;
- shall not accept a commission or other remuneration in

connection with the viatical settlement contract.

SECTION 20. IC 27-8-19.8-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17. (a) A viatical settlement provider shall, **not later than March 1 of each year**, file with the department an annual report containing information **concerning the immediately preceding calendar year as** prescribed in rules adopted by the department under IC 4-22-2. (b) The rules adopted by the department under subsection (a) shall set the date by which annual reports must be submitted.

- (b) This subsection applies to viatical settlement contracts involving a life insurance policy issued less than five (5) years before the viatical settlement contract is entered into. An annual report filed under subsection (a) must include at least the following:
 - (1) The total number of viatical settlement contracts entered into by the viatical settlement provider.
 - (2) The aggregate face amount of policies that were the subject of viatical settlement contracts.
 - (3) The aggregate amount of proceeds of viatical settlement contracts.
 - (4) Aggregate information described in subdivisions (1) through (3) for each policy issue year of life insurance policies that were the subject of viatical settlement contracts.
 - (5) The names of the:
 - (A) insurers that issued life insurance policies that were the subject of viatical settlement contracts; and (B) viatical settlement brokers that represented the viators in the viatical settlement contracts.
- (c) The information required under subsection (b) is limited only to transactions in which the insured is a resident of Indiana.
- (d) Individual transaction data regarding the business of viatical settlements or data that could compromise the privacy of personal, financial, and health information of a viator or insured are confidential.
- (e) Except as otherwise allowed or required by law, a viatical settlement provider, viatical settlement broker, insurer, insurance producer, information bureau, rating agency or company, or any other person with actual knowledge of an insured's identity shall not disclose the identity of the insured or information from which there is a reasonable basis to believe could be used to identify the insured or the insured's financial or medical information to another person unless:
 - (1) the disclosure is necessary to effect a viatical settlement between the viator and a viatical settlement provider, and the viator and insured have provided prior written consent to the disclosure;
 - (2) the disclosure is necessary to effectuate the sale of a viatical settlement contract or an interest in a viatical settlement contract as an investment, the sale is conducted in accordance with state and federal securities law, and the viator and insured have provided prior written consent to the disclosure;
 - (3) the information is provided in response to an investigation or examination by the commissioner or another governmental officer or agency;
 - (4) the disclosure is required under a term of or condition to the transfer of a life insurance policy from one (1) viatical settlement provider to another viatical settlement provider and the receiving viatical settlement provider complies with the confidentiality requirements of this section;
 - (5) the disclosure is necessary to allow the viatical settlement provider, viatical settlement broker, or an authorized representative of a viatical settlement provider or viatical settlement broker that:
 - (A) does not have a financial interest in the viatical settlement contract other than as a viatical

settlement provider, viatical settlement broker, financing entity, related provider trust, or special purpose entity; and

- (B) is required by the viatical settlement provider or viatical settlement broker to agree in writing to adhere to the privacy requirements of this chapter; to make contacts for the purpose of determining health status; or
- (6) the disclosure is required for the purchase of stop loss coverage or financial guaranty insurance.
- (c) (f) A viatical settlement provider shall maintain records of each viatical settlement at least five (5) years after the death of the insured

SECTION 21. IC 27-8-19.8-20.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 20.1. (a) A person shall not issue, solicit, market, or otherwise promote the purchase of a life insurance policy for the purpose of or with an emphasis on making the life insurance policy the subject of a viatical settlement contract.

- (b) A person shall not commit a fraudulent viatical settlement act.
- (c) A violation of this chapter is an unfair and deceptive act or practice in the business of insurance under IC 27-4-1-4.

SECTION 22. IC 27-8-19.8-21, AS AMENDED BY P.L.223-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 21. (a) A viatical settlement contract must establish the terms under which the viatical settlement provider will pay value, in return for the viator's assignment, bequest, devise, sale, or transfer of the death benefit, certificate, or ownership of the **life** insurance policy to the viatical settlement provider.

- (b) A viatical settlement contract must provide for the unconditional rescission of the contract by the viator for the longer of the following:
 - (1) the period ending not more than fifteen (15) days after the receipt of the viatical settlement proceeds by the viator; or
 - (2) the period ending not more than thirty (30) days after execution of the contract.
- (c) A viatical settlement contract is rescinded if the insured dies during the rescission period, subject to repayment to the viatical settlement provider of all proceeds and any premiums, loans, and loan interest that have been paid by the viatical settlement provider.

SECTION 23. IC 27-8-19.8-23, AS AMENDED BY P.L.223-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 23. (a) A viatical settlement provider or viatical settlement broker shall, not later than the date of application, provide to a viator a brochure approved by the commissioner and describing the viatical settlement process. If a brochure describes only a viatical settlement contract in which the insured does not have a catastrophic or life threatening illness or condition, the brochure may use the term "life settlement" in place of the term "viatical settlement".

- (b) A viatical settlement provider or viatical settlement broker shall, in a separate document that is signed by the viator and the viatical settlement provider or viatical settlement broker, disclose the following information to the viator not later than the date of application:
 - (1) Possible alternatives to viatical settlement contracts, including accelerated benefits or policy loans offered by the issuer of the life insurance policy.
 - (2) Federal and state tax consequences that may result from entering into a viatical settlement contract, and that the viator should seek assistance from a professional tax advisor.

- (3) Possible:
 - (A) adverse effect on eligibility for; or
- (B) interruption of assistance provided by; medical or public assistance programs as a consequence of entering into a viatical settlement contract, and that the viator should seek advice from the appropriate government agencies.
- (4) The viator's right to rescind a viatical settlement contract as provided in section 21 of this chapter.
- (5) The amount of any fees paid by a viatical settlement provider to a viatical settlement broker.
- (6) A statement that proceeds of the viatical settlement could be subject to claims of creditors.
- (7) A statement that:
 - (A) entering into a viatical settlement contract may cause other rights or benefits under the **life insurance** policy, including conversion rights, waiver of premium benefits, family riders, or coverage of a life other than the insured, to be forfeited by the viator; and
 - (B) the viator should seek advice from a financial advisor.
- (8) The procedure for contacts with the insured.
- (9) That the proceeds of the viatical settlement will be transferred to the viator as provided in section 24.2 of this chapter.
- (10) A statement containing the following language:
 - "All medical, financial, or personal information solicited or obtained by a viatical settlement provider or viatical settlement broker about an insured, including the insured's identity or the identity of family members, a spouse, or a significant other may be disclosed as necessary to effect the viatical settlement between the viator and the viatical settlement provider. If you are asked to provide this information, you will be asked to consent to the disclosure. The information may be provided to someone who buys the policy or provides funds for the purchase. You may be asked to renew your permission to share information every two years.".
- (11) That the insured may be contacted by the viatical settlement provider or viatical settlement broker to determine the health status of the insured in accordance with section 24.9 of this chapter.
- (c) The viatical settlement provider shall disclose the following information to the viator, conspicuously displayed in the viatical settlement contract or in a separate document signed by the viatical settlement provider and the viator, before a viatical settlement contract is signed:
 - (1) Any affiliation between the viatical settlement provider and the insurer that issued the life insurance policy or certificate that is the subject of the viatical settlement contract.
 - (2) The name, address, and telephone number of the viatical settlement provider.
 - (3) If the life insurance policy or certificate that is the subject of the viatical settlement contract was issued as a joint policy or includes family riders or any coverage of an individual other than the insured:
 - (A) the possible loss of coverage of the other individuals under the **life insurance** policy; or certificate; and
 - (B) that the viator should consult with the viator's insurance producer or the insurer that issued the **life** insurance policy or certificate for advice concerning the proposed viatical settlement contract.
 - (4) The:
 - (A) dollar amount of the current death benefit payable to the viatical settlement provider; and
 - (B) if known, the:
 - (i) availability of any additional guaranteed insurance benefits;

- (ii) dollar amount of any accidental death and dismemberment benefits; and
- (iii) viatical settlement provider's interest in the benefits described in items (i) and (ii);

under the life insurance policy. or certificate.

- (5) The:
 - (A) name, business address, and telephone number of the trustee or escrow agent described in section 24.2 of this chapter; and
 - (B) right of the viator or insured to inspect or receive copies of the relevant escrow or trust agreements or documents.
- (d) A viatical settlement broker shall disclose to the viator, conspicuously displayed in the viatical settlement contract or in a separate document signed by the viatical settlement broker and the viator before a viatical settlement contract is signed, the amount and method of calculation of the viatical settlement broker's compensation.
- (e) If a viatical settlement provider transfers ownership or changes the beneficiary of a viaticated policy, the viatical settlement provider shall, not more than twenty (20) days after the transfer or change occurs, inform the insured of the transfer or change.

SECTION 24. IC 27-8-19.8-24.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 24.2. (a) Immediately upon a viatical settlement provider's receipt of a signed viatical settlement contract, the viatical settlement provider shall pay the proceeds of the viatical settlement to a trust or escrow account in a state or federally chartered financial institution whose deposits are insured by the Federal Deposit Insurance Corporation. The account shall be managed by a trustee or escrow agent independent of the parties to the contract.

(b) Within two (2) business days after the viatical settlement provider's receipt of the insurer's or group administrator's acknowledgment that ownership of the **life insurance** policy or interest in the certificate has been transferred and the beneficiary has been designated according to the viatical settlement contract, the trustee or escrow agent shall transfer the proceeds to the viator."

Delete pages 9 through 58.

(Reference is to HB 1379 as printed January 25, 2008.)

RIPLÉY

Motion prevailed. The bill was ordered engrossed.

OTHER BUSINESS ON THE SPEAKER'S TABLE

Rule Suspension

The Speaker announced that, with the consent of the members, Rule 117.2 concerning the deadline for filing amendments would be suspended for Tuesday, January 29 to allow amendments to be filed one hour prior to convening of the session rather than two hours.

HOUSE MOTION

Mr. Speaker: I move that Representative Noe be added as coauthor of House Bill 1108.

BUELL

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Crouch be added as coauthor of House Bill 1118.

VAN HAAFTEN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Niezgodski and Wolkins be added as coauthors of House Bill 1119.

AUSTIN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Stutzman be added as coauthor of House Bill 1144.

PELATH

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Borror and Klinker be added as coauthors of House Bill 1164.

HERRELL

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Candelaria Reardon be added as coauthor of House Bill 1227.

E. HARRIS

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Crouch, Tincher, and Goodin be added as coauthors of House Bill 1249.

KLINKER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Austin be added as coauthor of House Bill 1253.

SAUNDERS

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Soliday and Buell be added as coauthors of House Bill 1269.

NIEZGODSKI

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Goodin be added as coauthor of House Bill 1271.

STEMLER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Klinker be added as coauthor of House Bill 1275.

STEMLER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Austin and Porter be added as coauthors of House Bill 1280.

PIERCE

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Goodin be added as coauthor of House Bill 1292.

BARTLETT

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Ripley be added as coauthor of House Bill 1323.

FRY

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative VanHaaften be added as coauthor of House Bill 1341.

STEMLER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Lutz and Saunders be added as coauthors of House Bill 1350.

NOE

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Burton, Ripley, and Summers be added as coauthors of House Bill 1359.

BARDON

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Murphy, Burton, and Pierce be added as coauthors of House Bill 1360.

BARDON

Motion prevailed.

On the motion of Representative E. Harris, the House adjourned at 8:10 p.m., this twenty-eighth day of January, 2008, until Tuesday, January 29, 2008, at 9:00 a.m.

B. PATRICK BAUER Speaker of the House of Representatives

CLINTON McKAY

Principal Clerk of the House of Representatives